



From: Broadcasting Board of Governors
Date: March 8, 2012
Subject: **Minutes of the BBG Meeting of March 8, 2012**

The Broadcasting Board of Governors (BBG) met today at Middle East Broadcasting Networks headquarters in Springfield, VA. The meeting was open and streamed on the BBG website.

The meeting was attended by the following Board members:

Presiding Governor Michael Lynton
Governor Victor Ashe
Governor Michael Meehan
Governor Dennis Mulhaupt
Acting Under Secretary of State for Public Diplomacy & Public Affairs Kathleen Stephens

Governors Susan McCue, Dana Perino, and Enders Wimbush were not in attendance at the meeting.

Other persons in attendance are listed at the end of these minutes.

The agenda of the meeting is set forth in Attachment 1.

Presiding Governor Lynton announced that, in light of Walter Isaacson's departure from the Board in January, the Board designated him to serve as "Presiding Governor" on an interim basis to preside over the Board and its meetings.

The Presiding Governor called the meeting to order and noted that the meeting was being held in compliance with the Government in the Sunshine Act. He also noted that the meeting was being held at the headquarters of the Middle East Broadcasting Networks (MBN) and thanked MBN President Brian Conniff for hosting the meeting. He added that the Board had an opportunity to meet and speak with the staff at MBN and to present a plaque to Radio Sawa for its 10th anniversary.

Presiding Governor Lynton welcomed Ambassador Kathleen Stephens who represents the Secretary of State on the Board as Acting Under Secretary for Public Diplomacy and Public Affairs effective February 6. He noted that Ms. Tara Sonenshine is the President's nominee to be Under Secretary and awaits Senate confirmation.

The Presiding Governor said that the Board is reminded that the vital work of BBG journalists is often difficult and dangerous. The Board is aware of the sacrifices that BBG reporters make and considers their work to be extremely valuable. Presiding Governor Lynton then brought two

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recent events to the Board's attention, including the loss of Mukarram Khan Aatif, a Voice of America (VOA) reporter in Pakistan, who was brutally targeted for assassination and died on January 17, and of Remi Ochlik, a photojournalist for Alhurra, who was killed in Homs the epicenter of protests in Syria. In addition, Presiding Governor Lynton mentioned a recent case of Khadija Ismailova, a freelancer for Radio Free Europe/Radio Liberty (RFE/RL), who has been targeted in a blackmail campaign. He said that the Board joins RFE/RL in standing behind Ms. Ismailova and rejecting this intolerable pressure tactic.

The Board voted to approve the draft minutes of February 11, 2012 Special Meeting and January 13, 2012 Meeting.

Presiding Governor Lynton introduced a resolution for the winners of the David Burke Distinguished Journalism Awards which recognize courage, integrity and originality in reporting by journalists within the BBG broadcast organizations. While the Board voted on the resolution and approved it unanimously, the Presiding Governor stated that a ceremony will be held at a Board meeting in the near future to announce and recognize the winners.

The Board then voted to adopt three separate resolutions honoring members of the BBG family whose service to United States international broadcasting has come to an end. First, the Board honored Walter Isaacson, who served as Board Chair from July 2010 to January 2012, during a period of great creativity and strategic progress at BBG.

The Board also adopted a resolution honoring the service of Acting Under Secretary of State Ann Stock, who served on the Board for a number of months following the departure of Under Secretary Judith McHale.

The Board also congratulated and honored Mr. Michael Marchetti, the Chief Financial Officer of Radio Free Europe/Radio Liberty, who has chosen to retire after almost 46 years of dedicated service to RFE/RL. The Board thanked Mr. Marchetti for his impressive record of achievement and his contributions to United States international broadcasting.

In addition, the Board adopted a resolution commemorating Radio Sawa's 10th anniversary.

The Board then heard a briefing from Governor Mulhaupt regarding the Governance Committee meeting held on March 7, 2012. The Board considered the Committee's recommendations.

Governor Mulhaupt reported that the Governance Committee had received a briefing from Radio Free Asia (RFA) President Libby Liu on the Freedom2Connect Foundation. The Committee learned that the foundation is an entirely independent and separate legal entity from RFA and is not connected to U.S. international broadcasting. As such, Governor Mulhaupt noted that the foundation appears to be poised to do important work to improve access to critical Internet anti-censorship tools, which will facilitate access to news and information.

With respect to the future structure of U.S. international broadcasting, Governor Mulhaupt noted that the Governance Committee had received an update from MBN President Brian Conniff

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regarding the status of grantee consolidation. Mr. Conniff had confirmed to the Committee that a draft consolidation transaction plan with a transaction timeline and a proposed implementation budget would be presented to the Board at its April 2012 meeting. The Governance Committee had also received an update from Governor McCue and Lynne Weil, Communications and External Affairs Director, regarding the continued briefings on the Hill for and ongoing efforts in the development of International Broadcasting Innovation Act.

The Board voted to adopt the Governance Committee reports of November 17, 2011 and February 9, 2012.

There followed a Board vote on the statement describing the roles and authorities of the Presiding Governor. Governor Ashe requested that the proposed By-Laws changes would be provided to the Board for its consideration 21 days in advance of the April Board meeting.

Governor Ashe noted an item on the agenda pertaining to 2012 BBG policy statements on Equal Employment Opportunity and sexual harassment was being deferred until the next Board meeting. He said that these policy statements were previously updated by the Governance Committee at its March 7 meeting, and that the Committee plans to consider them at its next meeting.

In Governor McCue's absence, Governor Meehan provided an update on the recent meeting of the Commission on Innovation that was held at RFE/RL's office in Washington, D.C. on February 10, 2012. He summarized the full-day meeting, including individual breakout sessions led by each of the network heads to work on ideas and approaches to develop new opportunities for connecting with audiences and helping audience members to connect with each other.

Governor Ashe noted his participation in recognizing RFE/RL Radio Azadi's (Radio Free Afghanistan) 10th anniversary via video conference, as well as VOA Lao Service's 50th anniversary of broadcasting to Laos. Governor Ashe also described his plans for an upcoming trip to Laos, Cambodia, and Thailand.

At the Presiding Governor's invitation, Governor Meehan spoke on the issue of media freedom. He said that, according to a recent report by the Committee to Protect Journalists, the number of journalists jailed in the past year by repressive regimes has increased in places such as Iran, China, Burma and Eritrea. Governor Meehan acknowledged that journalists have too often paid a heavy price for their profession. He recognized their important work in the difficult environment and criticized regimes that attempt to silence the press.

Chief Financial Officer (CFO) Maryjean Buhler provided a fiscal report. For Fiscal Year (FY) 2012, Ms. Buhler stated that a program plan had been submitted to the Agency's Congressional oversight committees, and the plan would be finalized in the coming days. For FY 2013, Ms. Buhler summarized the Agency's budget request and announced the availability of the full document on the BBG's website for further details. Governor Ashe commented that there was a consensus of the Board that the Strategy and Budget Committee should review broadcasting to Tibet and provide its recommendations to the plenary Board. Governor Meehan remarked that

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the current budget environment requires the Agency to do more with less and that the Board would be supportive of innovative ideas that can help the Agency achieve that goal.

Mr. Lobo was then asked to provide his IBB Director's report. Mr. Lobo noted that Gary Thatcher of the Office of Strategy and Development was part of the U.S. delegation to the World Radiocommunication Conference (WRC) in Geneva. Working with the DG-5 (British Broadcasting Corporation, Deutsche Welle, Audiovisuel Extérieur de la France, and Radio Netherlands Worldwide), the BBG was able to discuss with the delegates the importance of taking action to eliminate satellite jamming, which originates from Iran and Syria.

Mr. Lobo announced that IBB had successfully distributed VOA audio content via podcasts in the iTunes international store and soon will expand the distribution of content by other BBG networks. Mr. Lobo described on-going efforts to improve contractor relations, including holding brownbag discussions to allow contractors to share comments and ask questions, establishing a "Contractor Resources" page on the intranet, and streamlining payments to contractors. He noted that the Governance Committee will hold a special session on March 9 so that representatives of Agency contractors may share their comments and/or experiences with the Committee.

Mr. Lobo said that he visited Congressman Walter Jones to brief him on the status of the Greenville transmitting station and invite the Congressman to a rededication ceremony as proposed for May 2 for the renaming of the station to Edward R. Murrow transmitting station.

There followed a Board vote on a resolution to approve the BBG's participation as "co-obligor" in the proposed lease arrangement between RFE/RL and L88 of the RFE/RL headquarters lease in Prague, Czech Republic. Governor Meehan thanked and congratulated the IBB and RFE/RL staffs for their collaboration and hard work.

Presiding Governor Lynton welcomed Lynne Weil as Director of the Office of Communications and External Affairs and invited her to update the Board on recent activities of the Office. Ms. Weil gave brief remarks, including thanking the Board for the opportunity to serve and the staff for its support. She reported that the Office has done more active outreach to the media, stakeholders in Congress and elsewhere as well as across the Executive Branch. She noted renewed efforts in the consolidation and cooperation of such work between the IBB staff and BBG networks, and in furtherance of the Board's efforts to increase openness and transparency, and among other things.

The Presiding Governor asked Director of Strategy and Development Bruce Sherman to discuss the Agency's research program. He explained the usefulness and importance of research and gave examples of the impact in expanding the BBG's broadcasting audiences. He announced the Agency's new research contract with Gallup and cited current research projects.

Governor Ashe said that he felt the Gallup contract for research up to \$10 million a year for five years totaling a potential \$50 million is too much and should be reduced to transfer savings to safeguard language services such as Tibetan language. Governor Ashe said, "We cannot justify

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\$50 million over five years for the Gallup contract.” Governor Meehan stated that the Agency has a critical need for research and noted that there is a legislative mandate for it.

Office of Cuba Broadcasting (OCB) Director Carlos Garcia-Perez gave his report via video conference. Mr. Garcia-Perez commented on the recent meeting of the Commission on Innovation, gave a status report on the migration to the new Pangaea content management system, and announced the launch of a new TV program called “Antena Live.” The Presiding Governor congratulated Mr. Garcia-Perez on a recent article in the Sun Sentinel on Radio and TV Marti. Mr. Garcia-Perez then played a short video highlighting the activities at OCB in February.

Presiding Governor Lynton congratulated VOA Director David Ensor on VOA’s 70th anniversary and invited Mr. Ensor to give his report. Mr. Ensor noted that VOAnews.com website was carrying more stories produced by other BBG networks. He provided highlights from the VOA’s 70th anniversary program and played a congratulatory video clip from President Obama.

RFE/RL President Steve Korn thanked RFE/RL CFO Michael Marchetti for his almost 46 years of service which followed by brief remarks from Mr. Marchetti. Mr. Korn also thanked RFE/RL Deputy CFO John Giambalvo and IBB staff for their extraordinary work in the proposed lease arrangement for the RFE/RL headquarters lease in Prague, Czech Republic, and noted that Mr. Giambalvo will succeed Mr. Marchetti on April 1 as Chief Financial Officer. He then played a short video clip of RFE/RL’s coverage of the anti-Kremlin protests in Russia and commented on the opportunity for RFE/RL to make a positive impact during the transition there.

RFA Vice President of Administration and Finance Norm Thompson reported on RFA’s coverage of the Tibetan protests to Chinese rule in Tibet. RFA presented a brief video clip of the events surrounding the Tibet’s Lunar New Year celebration.

MBN President Brian Conniff thanked the Board for holding its meeting at MBN and emphasized the importance of the Board’s visit. He played a short promotional video clip of Alhurra and its coverage of the elections post Arab Spring in Egypt, Tunisia, and Morocco.

Presiding Governor Lynton announced that the next Board meeting will be held at the headquarters of the Office of Cuba Broadcasting in Miami, FL in April 2012.

There being no other business, the Presiding Governor adjourned the meeting.

The Broadcasting Board of Governors agreed to the following decision elements (all decisions were adopted by a unanimous vote unless otherwise indicated):

1. Adoption of Minutes of February 11, 2012 Special Meeting and January 13, 2012 Meeting. Governor Mulhaupt made a motion for the adoption of the minutes. Governor Meehan seconded. The Board adopted the minutes of both meetings as set forth in Attachments 2 and 3, respectively.

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2. Resolution on David Burke Distinguished Journalism Awards. Presiding Governor Lynton moved to adopt a draft resolution for the winners of the David Burke Distinguished Journalism Awards. Governor Mulhaupt seconded. The resolution was adopted unanimously by the Board.
3. Resolution Honoring Walter Isaacson. Governor Ashe moved to adopt a draft resolution honoring Walter Isaacson as set forth in Attachment 4. Governor Meehan seconded. The resolution was adopted unanimously by the Board.
4. Resolution Honoring Assistant Secretary Ann Stock. Governor Ashe moved to adopt a draft resolution honoring Ann Stock as set forth in Attachment 5. Governor Mulhaupt seconded. The resolution was adopted unanimously by the Board.
5. Resolution Honoring Michael Marchetti. Governor Mulhaupt moved to adopt a draft resolution honoring Michael Marchetti as set forth in Attachment 6. Governor Ashe seconded. The resolution was adopted unanimously by the Board.
6. Resolution Honoring Radio Sawa's 10th Anniversary. Governor Meehan moved to adopt a draft resolution honoring Radio Sawa's 10th anniversary as set forth in Attachment 7. Governor Ashe seconded. The resolution was adopted unanimously by the Board.
7. Adoption of Governance Committee Recommendations. The Board heard a briefing from Governor Mulhaupt regarding the Governance Committee meeting held on March 8, 2012. The Board adopted the following recommendations by the Governance Committee:
 - a. Statement Describing the Roles and Authorities of the Presiding Governor.
 - i. Governor Mulhaupt moved to adopt the statement of the authorities of the Presiding Governor. Governor Ashe seconded. The following statement was unanimously adopted by the Board:

The Presiding Governor shall exercise the roles and authorities of the Chair of the Board, as such roles and authorities are defined in these By-Laws and the decisions of the Board.

In the event that the Board appoints a Presiding Governor, the Presiding Governor may select an Alternate Presiding Governor with the approval of the plenary Board. The Alternate Presiding Governor shall have the authority to preside at meetings of the Board in the event the Presiding Governor is absent from a meeting or is otherwise unable to perform his or her duties.

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- ii. Governor Lynton moved to appoint Governor Dennis Mulhaupt as Alternate Presiding Governor. Governor Meehan seconded. The Board approved the appointment of Governor Dennis Mulhaupt as Alternate Presiding Governor.
- b. Adoption of the November 17, 2011 and February 9, 2012 Governance Committee Reports. Governor Mulhaupt moved to adopt the November 17, 2011 and February 9, 2012 Governance Committee reports in their entirety as set forth in Attachments 8 and 9, respectively. Governor Meehan seconded. The reports were unanimously adopted by the Board.
- c. Committee Roster. Governor Lynton made a motion to amend the committee roster to appoint Governor Meehan as co-chair and Governor Ashe as member of the Strategy and Budget Committee. Governor Meehan seconded the amendment. The Board adopted the amendment. Governor Mulhaupt moved to adopt the Committee roster as amended. Governor Ashe seconded. The Board adopted the following Committee roster as amended:
 - i. The Communications and Outreach Committee is co-chaired by Governors McCue, Meehan, and Perino. The Communications and Outreach Committee has a sub-committee on Global Internet Freedom co-chaired by Governors Meehan and Perino and a sub-committee on Innovation chaired by Governor McCue.
 - ii. The Governance Committee is chaired by Governor Mulhaupt. Governors Ashe, Lynton, and McCue are members of the Governance Committee.
 - iii. The Strategy and Budget Committee is co-chaired by Governors Meehan and Wimbush. Governor Ashe is a member of the Committee.
 - iv. While the Chair of the plenary Board serves as an ex officio member of all Committees, the Chair is a non-voting ex officio member of all Committees of the Board.
8. Approval of BBG's Role in Radio Free Europe/Radio Liberty (RFE/RL) Lease Arrangement. Governor Ashe moved to approve the BBG's participation as "co-obligor" in the proposed lease arrangement between RFE/RL and L88 of the RFE/RL headquarters lease in Prague, Czech Republic based on the description of the proposed transaction provided by the International Broadcasting Bureau Director and as approved by the RFE/RL Board on March 8, 2012. Governor Mulhaupt seconded. The resolution was adopted unanimously by the Board.

Other Attendees:

The following persons were also present during all or part of the meeting: International Broadcasting Bureau (IBB) Director Richard Lobo, IBB Deputy Director Jeffrey Trimble,

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Deputy General Counsel and Board Secretary Paul Kollmer-Dorsey, Chief Financial Officer Maryjean Buhler, Director of the Office of Strategy & Development Bruce Sherman, Director of Board Operations Oanh Tran, and Board Operations and Policy Adviser Ashley Pyle; David Ensor, Director of the Voice of America (VOA); Carlos Garcia-Perez, Director of the Office of Cuba Broadcasting (OCB) via video conference; Steven Korn, President of Radio Free Europe/Radio Liberty (RFE/RL); Norman Thompson, Radio Free Asia (RFA) Vice President of Administration and Finance; Brian Conniff, President of the Middle East Broadcasting Networks (MBN); Michael Marchetti, RFE/RL Senior Vice President of Finance/CFO; and Nicholas Giacobbe, Jr., Executive Assistant to the Acting Under Secretary for Public Diplomacy & Public Affairs.

Approved:

Michael Lynton
Presiding Governor

Witnessed:

Paul Kollmer-Dorsey
Secretary

Attachments:

1. Agenda for March 8, 2012 Meeting
2. Minutes of February 11, 2012 Special Meeting
3. Minutes of January 13, 2012 Meeting
4. Resolution Honoring Walter Isaacson
5. Resolution Honoring Assistant Secretary Ann Stock
6. Resolution Honoring Michael Marchetti
7. Resolution Honoring Radio Sawa's 10th Anniversary
8. Governance Committee Report from November 17, 2011 Meeting
9. Governance Committee Report from February 9, 2012 Meeting

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ATTACHMENT 1

BROADCASTING BOARD OF GOVERNORS March 2012 Meeting Agenda

Thursday, March 8

3:15 - 4:30 Broadcasting Board of Governors' Meeting (Middle East Broadcasting Networks)

I. Open Session

Presiding Governor's Remarks

- A. Adoption of Minutes of February 11, 2012 Special Meeting and January 13, 2012 Meeting
 - B. Resolution on David Burke Distinguished Journalism Awards
(Governor Lynton)
 - C. Resolution Honoring Walter Isaacson
(Governor Lynton)
 - D. Resolution Honoring Assistant Secretary Ann Stock
(Governor Ashe)
 - E. Resolution Honoring Michael Marchetti
(Governor Mulhaupt)
 - F. Resolution Honoring Radio Sawa's 10th Anniversary
(Governor Meehan)
 - G. Governance Committee Report
(Governor Mulhaupt)
 - H. Commission on Innovation Update
(Governor Meehan)
 - I. Recognition of Language Services' Anniversaries
(Governor Ashe)
 - J. Fiscal Report
(Maryjean Buhler)
 - K. IBB Director's Report
(Dick Lobo)
 - L. Communications & External Affairs Director's Report
(Lynne Weil)
 - M. Research Projects/DG-5 Cooperation Update
(Bruce Sherman)
 - N. Programming Initiatives/Program Development
 - OCB Director's Report
(Carlos Garcia-Perez)
 - VOA Director's Report
(David Ensor)
 - RFE/RL President's Report
(Steve Korn)
 - RFA President's Report
(Libby Liu)
 - MBN President's Report
(Brian Conniff)
 - O. Other Items for Consideration at Next Board Meeting
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ATTACHMENT 2

From: Broadcasting Board of Governors
Date: February 11, 2012
Subject: **Minutes of the BBG Meeting of February 11, 2012**

On February 9, a special telephonic meeting of the Board was called under Section 2.09 of the BBG By-Laws. Five Governors (Lynton, McCue, Mulhaupt, Stephens, and Wimbush) requested the special meeting.

The following Board members participated by telephone in the special meeting on Saturday, February 11, 2012 at 2:30 pm:

Governor Victor Ashe
Governor Michael Lynton
Governor Susan McCue
Governor Michael Meehan
Governor Dennis Mulhaupt
Governor Dana Perino
Governor S. Enders Wimbush
Acting Under Secretary of State Kathleen Stephens

Director of the International Broadcasting Bureau (IBB) Richard Lobo, IBB Deputy Director Jeffrey Trimble, Director of Communications and External Affairs Lynne Weil, Director of Board Operations Oanh Tran, and Executive Assistant Douglas Schuette participated by telephone from the Cohen Building.

Governor Mulhaupt, Chair of the Governance Committee, announced that the special meeting was being called under Section 2.09 of the BBG By-Laws at the request of four or more Governors. He noted that the special meeting was being held in compliance with the Government in the Sunshine Act and recorded for immediate posting at the BBG website.

Governor Mulhaupt, Chairman of the Governance Committee, called the special meeting to order.

At Governor Mulhaupt's request, IBB Director Lobo took a roll call of the Governors on the telephone and announced the names of the staff members who were participating by telephone from the Cohen Building.

Governor Mulhaupt welcomed Kathleen Stephens, Acting Under Secretary for Public Diplomacy and Public Affairs, who represents Secretary Clinton on the Board. Ambassador Stephens noted that she recently met a few Board members at a meeting of the Commission on Innovation,

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which had been held at Radio Free Europe/Radio Liberty's D.C. office the previous day, and expressed her desire to meet other Board members in the coming weeks.

Governor Mulhaupt said that the BBG Chair usually calls meetings of the Board to order and presides over the meetings. He stated that in light of Walter Isaacson's departure from the Board, the Board must determine how it will proceed in the absence of a Chair. He explained that, on February 9, a special meeting was requested by the required number of Board members to discuss the issue of Board leadership including the conduct of Board operations in the absence of a Chair and the selection of an interim presiding officer.

Governor Mulhaupt noted that a draft decision element was previously circulated to each Board member for consideration and read the decision element as follows:

The Board acknowledges the great efforts and tremendous contributions of Walter Isaacson during his tenure as BBG Chairman from July 2010 until January 2012. The Board extends its deepest gratitude for his service to the BBG and to all of the United States international broadcasting. Inspired by Chairman Isaacson's example, the Board reaffirms unqualified and ongoing commitment to fostering and promoting high quality, independent and objective journalism by all BBG broadcasters. The Board rededicates itself to pursuing the mission adopted during Chairman Isaacson's tenure: "to inform, engage and connect people around the world in support of freedom and democracy." The Board designates Governor Michael Lynton to serve as Presiding Governor on an interim basis until such time as the Board selects an alternate interim Presiding Governor, Governor Lynton chooses to step down as interim Presiding Governor, or a new chairman is nominated by the President and confirmed by the Senate.

Governor Mulhaupt then invited the Board to comment on the decision element.

Governor Ashe commented that the language in the decision element which states "until such time as the Board selects an alternate interim Presiding Governor" was superfluous and unnecessary.

Governor Lynton explained that, while he is pleased and honored to be chosen as Presiding Governor, the Board needs to find a long-term solution or the White House may intervene and find a more permanent solution to the situation.

Governor Ashe asked whether there was a back-up plan in the event Governor Lynton could not attend the Board meeting. Governor Lynton responded that he plans to attend the March Board meeting and the following meeting. He agreed to Governor Ashe's suggestion for a vice-chairman who could step in and act as presiding chair if necessary, but that the Board did not have to decide who could fill that role at this time.

Governor Meehan thanked Governor Lynton for agreeing to serve as Presiding Governor. He suggested that the issue be discussed at the March Board meeting. He noted that, under the chairmanship of Walter Isaacson, Committees were established so that staff could consult with

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Committee members as needed and recommended that the Committees should continue to operate and give more assistance and guidance to staff in order to alleviate the staff's workload. Governor Lynton agreed and requested that the issue be placed on the agenda for the March Board meeting.

There followed brief remarks by other Governors to express their gratitude to Governor Lynton for serving as Presiding Governor.

Governor Ashe made a motion for the adoption of the decision element to designate Governor Lynton as Presiding Governor. Governor Meehan seconded. The decision element was unanimously adopted by the Board.

There being no other business, Governor Wimbush moved to adjourn the special meeting. Governor Meehan seconded. The special meeting was adjourned based on a unanimous vote.

Approved:

Michael Lynton
Presiding Governor

Witnessed:

Paul Kollmer-Dorsey
Secretary

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ATTACHMENT 3

From: Broadcasting Board of Governors
Date: January 13, 2012
Subject: **Minutes of the BBG Meeting of January 13, 2012**

The Broadcasting Board of Governors (BBG) met today in Washington, D.C. The meeting was open and streamed on the BBG website.

The meeting was attended by the following Board members:

Chairman Walter Isaacson
Governor Victor Ashe
Governor Susan McCue
Governor Michael Meehan (by telephone)
Governor Dennis Mulhaupt
Governor Dana Perino (by telephone)
Governor S. Enders Wimbush
Acting Under Secretary for Public Diplomacy & Public Affairs Ann Stock

Governor Michael Lynton was not in attendance at the meeting.

Other persons in attendance are listed at the end of these minutes.

The agenda of the meeting is set forth in Attachment 1.

Chairman Isaacson called the meeting to order and noted that the meeting was being held in compliance with the Government in the Sunshine Act and streamed live over the Internet at the BBG website. He also noted that Governors Meehan and Perino were participating by telephone.

The Board voted to approve the minutes of the November 18, 2011 meeting.

Chairman Isaacson stated that the Board had adopted the proposed 2012 BBG meeting schedule by notation vote in December 2011. Governor Ashe moved to ratify the meeting schedule. Governor McCue seconded. The meeting schedule was ratified by the Board.

The Board voted to approve the appointment of Governor McCue as member of the Governance Committee.

The Chairman noted that the Board met the previous day for an off-site Governors' Briefing to further discuss the implementation of BBG Strategic Plan 2012-2016 after an intensive year-long

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strategic review. He said that the Board was prepared to make a proposal to strengthen United States international broadcasting by freeing up resources that were locked up in inefficient and duplicative administrative structures and to reinvest those resources in its programming. He stated that, coincidentally, the President recently has announced a proposal to reform, reorganize, and consolidate federal government agencies involved in trade and commerce.

The Chairman described the Board's proposal in two parts – one directed toward the grantees and one directed toward the Agency.

With respect to the BBG-sponsored grantees, the Board announced its intention to issue the three grants which BBG currently makes separately to Radio Free Europe/Radio Liberty (RFE/RL), Radio Free Asia (RFA) and Middle East Broadcasting Networks (MBN) to a single, consolidated Grantee. The Board instructed the International Broadcasting Bureau (IBB) Director, working with Governor Mulhaupt, to develop a plan for structuring, documenting, and implementing a grantee consolidation transaction, and that such a plan and a proposed budget for implementation would be presented to the Board for consideration at its March Board meeting or report back to the Board on any delays. In preparing the requested plan, the Board authorized the IBB Director to work with MBN President Brian Conniff, who will act as project leader for the consolidation.

Concurrently, the Board proposed an initiative to develop and pursue legislation for restructuring U.S. international broadcasting to be called, the International Broadcasting Innovation Act of 2012 (IBIA). The Board directed the IBB Director to work with IBB staff and outside experts, and with Governor McCue, in order to develop a draft IBIA for the Board's further consideration. The draft legislation should have the following attributes: An organization reflecting the optimal mix of federal and non-federal assets; a creation of a Chief Executive Officer of United States International Broadcasting (the "CEO"), reporting to the Board of Governors, empowered to provide day-to-day executive leadership for United States international broadcasting and should have management authority over the federal and non-federal elements of United States international broadcasting, subject to Board oversight. The IBB Director will consult with Governors Ashe and Lynton in developing a model to defining the appropriate roles for the Board and CEO. In addition, the legislation should eliminate the position of the IBB Director as a Presidentially-appointed and Senate-confirmed appointment and replace it with an appropriate official who would be selected by, and report to, the CEO, and repeal the domestic dissemination ban in the Smith-Mundt Act. In addition, the legislation would rename the BBG to reflect the planned unified structure for United States international broadcasting.

At the Chairman's invitation, Governor Mulhaupt commented that the attribute suggesting an elimination of the IBB Director position should not be misconstrued as a reflection of IBB Director Dick Lobo's performance. He said that, in his view and the view of the Board, Mr. Lobo and his staff have done a tremendous job. The Chairman agreed and commended Mr. Lobo, Jeffrey Trimble, Bruce Sherman, Maryjean Buhler, Paul Kollmer-Dorsey, and others for their service and loyalty in following a very clear, strategic direction of the Board and in helping the Board to develop the proposal. Governor McCue remarked that this proposal presents an exciting, historical time for U.S. international broadcasting, and that the drafting of legislation

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will be done in a partnership and team effort going forward. Governor Ashe expressed his support for the proposal and noted that, in his view, efforts should be made to achieve savings, regardless of the amount, and that it makes sense to consolidate in an effort to improve the quality of service and delivery of service to places where the governments censor or deny access to accurate and objective information. Governor Ashe said consolidation, if done properly, is a good step forward for the Agency in light of the new era, especially in communications and technology. Governor Ashe also said if the consolidation is not done properly, it would cause him to change his position and strongly oppose it. The devil is in the details. Governor Ashe said he reserved the right to change his views if the implementation is not well executed. Acting Under Secretary Ann Stock commented that the Board had a very constructive, long, thoughtful, deliberative process and that the off-site briefing helped the Board come up with a plan to move forward.

The Board then voted to restructure of United States international broadcasting, including consolidating the three BBG-sponsored grantees and seeking legislation that would include establishing a Chief Executive Officer to manage the enterprise.

Chairman Isaacson then read a resolution condemning purposeful interference with broadcast transmissions to Iran and calling on delegates to the upcoming World Radio-communications Conference in Geneva and the satellite industry to repudiate such illegal behavior. Upon the Board's adoption of the resolution, the Chairman thanked Acting Under Secretary Stock and others at the U.S. Department of State who consulted with the BBG in the matter.

The Board voted to adopt the resolution honoring the Voice of America's (VOA) 70th anniversary. Governor Ashe asked that VOA Director David Ensor outline plans to observe and celebrate VOA's 70th anniversary in 2012 as soon as such information is available.

There followed a discussion by telephone with Governor Meehan who initially wanted to vote "no" on the Board's proposal to restructure U.S. international broadcasting because he did not know whether all five networks were included in the restructuring. After an explanation by the Chairman that the proposal actually includes seeking legislation to restructure all U.S. international broadcasting, which would include all networks, and that certain Board members have been designated to assist in the implementation of the strategy, Governor Meehan expressed his support for the proposal and affirmed his view that all networks should be streamlined.

The Board voted to adopt the resolution observing the 70th anniversary of Mandarin and Cantonese services of the Voice of America.

Governor Ashe summarized his visits to VOA language services in December 2011 to recognize the anniversaries of Chinese Branch, Armenian, Bosnian, Macedonian, Georgian, Portuguese to Africa, Central Africa, Afaan Oromo, and Tigrigna Services.

Governor Meehan updated the Board on the Internet censorship circumvention activities. The Board then voted to reprogram \$3 million in FY 2011/2012 funds to RFA. Chairman Isaacson noted that the Board requests that the IBB Director be consulted on these efforts.

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Governor Ashe briefly reported on his visit to the Greenville transmitting station on December 7 and emphasized the significance of this shortwave facility.

Chief Financial Officer (CFO) Maryjean Buhler gave a fiscal report. She said that the BBG received \$744 million for FY 2012, and that a program plan, which includes the Board's decision to reprogram Internet censorship circumvention funds, will be sent to the Congress by January 23, 2012. Meanwhile, the CFO office had been working rigorously on the FY 2013 budget request.

At IBB Director Lobo's invitation, Andre Mendes, IBB Director of the Office of Technology, Services, and Innovation (TSI), provided updates on the FM installations in Tripoli, Libya and Lashkar Gah, Afghanistan. He noted two types of interference with broadcast transmissions to Iran on Arabsat and Eutelsat satellites and cited new evidence that jamming signals are now emanating from Syria. The Content Management System was scheduled to be completed by the end of September. The renaming of the Greenville transmitting station to Edward R. Murrow was in progress. In conclusion, Mr. Mendes distributed copies of TSI's 2011 annual performance report that highlights its progress over the past year.

IBB Director Lobo reported that a study was under way to review independent contractor issues and that a full report should be available at the May Board meeting. Governor Ashe commended Mr. Lobo for his efforts. Mr. Lobo added that this was one of the many sessions planned for contractors.

VOA Director David Ensor announced the inauguration of Studio 52 with state-of-the-art capabilities and played a short video clip previewing the new studio. Deewa Radio was now also available on direct-to-home satellite television as a simulcast of the daily one-hour program to the Federally Administered Tribal Area where radio is popular and television is making strong inroads. At the Chairman's invitation, Mr. Ensor described the expansion of VOA Persian News Network (PNN) from four to six hours of programming. Governor Wimbush noted that improving PNN was the Board's priority. Governor Ashe commended VOA management for making improvements under difficult circumstances.

The Chairman noted the absence of Office of Cuba Broadcasting (OCB) Director Carlos Garcia-Perez but noted that Mr. Garcia-Perez had briefed the Board earlier in the day. In Mr. Garcia-Perez's absence, IBB Director Lobo provided OCB programming highlights. Governor Wimbush noted the impact of the Internet and social media in Cuba.

RFE/RL President Steve Korn reported on the passing of Vaclav Havel who facilitated RFE/RL's move to Prague in 1994 and worked closely with RFE/RL and its Czechoslovak Service.

RFA President Libby Liu highlighted the coverage of the death of North Korean leader Kim Jong, II. She thanked the Board for the reprogramming of Internet censorship circumvention

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funds to RFA and cited various Internet censorship activities. There followed a short video clip highlighting key reporting by RFA in 2011.

MBN President Conniff played a short video summarizing Alhurra-Iraq's reporting in the past seven years.

There being no other business, the Chairman adjourned the meeting.

The Broadcasting Board of Governors agreed to the following decision elements (all decisions were adopted by a unanimous vote unless otherwise indicated):

1. Adoption of November 18, 2011 Minutes. Governor Wimbush made a motion for the adoption of the minutes of the November 18, 2011 meeting set forth in Attachment 2. Governor Ashe seconded. The minutes were unanimously adopted by the Board.
2. Governance Committee Membership. Governor Mulhaupt moved to appoint Governor Susan McCue as member of the Governance Committee. Governor Wimbush seconded. The Board unanimously adopted the appointment of Governor McCue on the Governance Committee.
3. Implementation of BBG Strategic Plan 2012-2016. The Board decided to take a number of steps to restructure United States international broadcasting in accordance with the Board's recently adopted strategy.

In the strategy adopted by the Board in October 2011 (entitled "Impact through Innovation and Integration: BBG Strategic Plan 2012-2016"), the Board noted that:

"BBG is a complex amalgam of broadcast entities created by Congress at different points the time over the last 70 years in response to specific foreign policy challenges. It encompasses multiple media properties, some Federal and some non-Federal, with different legal and administrative frameworks . . . all in organizational silos with little cross-cutting coordination.

The current structure complicates managing resources for highest impact as well as the integration and projection of core talents and capabilities. It obstructs efforts to transform the Agency's assets into an integrated network that can take advantage of the wide-ranging, highly professional newsgathering activities done by each BBG entity...Integration must therefore accompany innovation as an operational imperative."

The Board agreed to the following elements in order to move forward the restructuring of United States international broadcasting in accordance with the Strategic Plan:

- a. Grantee Consolidation

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As a result of its year-long strategic review of international broadcasting, the Board agreed to explore the feasibility of consolidating the three grantee organizations into a single corporate structure sharing a unified administrative and legal framework, while retaining their journalistic missions. The Board looked at the short- and long-term financial ramifications and the other benefits and costs of consolidation.

In this connection, the Board considered the November 2011 report from its management consultant Deloitte on the feasibility of consolidating the grantees. The Deloitte report found no overlap among the Grantees' broadcasting activities and assumes that no cuts will be made in such activities. The study found, however, that consolidation would lead to substantial savings by eliminating duplicative management and administrative functions. Deloitte projected substantial savings for the BBG during the five (5) years following the consolidation of the grantees. Those funds may be used to enhance United States international broadcasting. (Deloitte estimates one-time costs for implementing consolidation – including severance payments – from \$7 - \$11 million.)

In addition, the Board considered the report of the law firm of Baker & McKenzie on the legal feasibility of merging the BBG-sponsored Grantees. The report concluded that the Board has legal authority under the International Broadcasting Act of 1994 (as amended) to make the three (3) grants that are currently provided to RFE/RL, RFA and MBN to a single consolidated grantee, subject to appropriate Congressional notification and approval.

The Board announces its intention to issue the three grants which BBG currently makes separately to Radio Free Europe/Radio Liberty (RFE/RL), Radio Free Asia (RFA) and Middle East Broadcasting Networks (MBN) to a single, consolidated Grantee (when created) subject to Administration approval, Congressional consultation and guidance, and other due diligence and the implementation of a consolidation transaction plan approved by the Board.

The Board instructs the IBB Director, working with Governor Mulhaupt, to develop a plan for structuring, documenting, and implementing a grantee consolidation transaction, including the conduct of adequate due diligence and secure the services of legal and other experts who may be required to assist in the transaction. The IBB Director is requested to provide such a plan, and a proposed budget for its implementation, to the Board for its consideration at the March 2012 Board meeting.

The IBB Director is authorized and encouraged to work in close cooperation with the Grantees. The Board has authorized the IBB Director to work with Brian Conniff, President of MBN, who will act as project leader for the consolidation, in preparing the requested plan. The Board directs and encourages all elements of

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USIB to cooperate fully with the IBB Director in facilitating the timely and accurate completion of the requested plan and budget.

The Board also directs the IBB Director, as soon as practicable, to prepare and transmit any Congressional notification that may be required to implement the Board's intentions as stated in this decision.

b. International Broadcasting Innovation Act of 2012

As a second and simultaneous effort to streamline United States international broadcasting in accordance with the broader vision set forth in the Board's strategic plan, the Board announces its intention to pursue legislation to be called the International Broadcasting Innovation Act of 2012 (the "IBIA").

The Board directs the IBB Director to work with IBB staff and outside experts, and with Governor McCue, in order to develop for the Board's further consideration a draft IBIA with the following attributes:

- i. The organization of United States international broadcasting shall reflect the optimal mix of federal and non-federal assets required to best achieve the successful and efficient implementation of the Board's Strategic Plan.
 - ii. The position of Chief Executive Officer of United States International Broadcasting (the "CEO"), reporting to the Board of Governors, shall be created. The CEO will be empowered to provide day-to-day executive leadership for United States international broadcasting and should have management authority over the federal and non-federal elements of United States international broadcasting, subject to Board oversight. The IBB Director is instructed to consult with Governors Ashe and Lynton in developing a model to define the appropriate roles for the Board and CEO.
 - iii. The Board recommends that the position of the IBB Director as a Presidentially-appointed and Senate-confirmed appointment should be eliminated and replaced by an appropriate official who would be selected by, and report to, the CEO.
 - iv. The domestic dissemination ban in the Smith-Mundt Act shall be repealed.
 - v. The organization shall be renamed to reflect the planned unified structure for United States international broadcasting.
4. Resolution on Interference with BBG Broadcasts. Chairman Isaacson made a motion for the adoption of the resolution as set forth in Attachment 3 condemning the purposeful interference of satellite communications and calling upon assembled delegates at the World Radiocommunication Conference to repudiate this illegal behavior. Governor Mulhaupt seconded. The resolution was unanimously adopted by the Board.

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5. Resolution Honoring VOA's 70th Anniversary. Governor Ashe moved to adopt the resolutions as set forth in Attachments 4 and 5. Chairman Isaacson seconded. Both resolutions were unanimously adopted by the Board.
 - a. A resolution honoring the Voice of America's 70th anniversary.
 - b. A resolution observing the 70th anniversary of Mandarin and Cantonese services of the Voice of America.

6. Repurposing Internet Censorship Circumvention Funds. Governor Meehan made a motion to reprogram \$3M in FY2011/2012 funds from Technology, Services and Innovation (TSI) to Radio Free Asia (RFA) in order to expand unrestricted access to information on the Internet for the benefit of all elements of U.S. international broadcasting. Governor Wimbush seconded, and the motion was adopted unanimously by the Board.

RFA is required to consult with the IBB Director in developing projects to be financed with the reprogrammed funds and not to spend such funds in a manner that is inconsistent with the IBB Director's guidance.

The Board directed the staff to take the necessary actions to implement this decision, including preparing and executing the appropriate Congressional notifications and modifying the RFA grant agreement to include the expanded operations and a requirement to consult with the IBB Director.

Other Attendees:

The following persons were also present during all or part of the meeting: International Broadcasting Bureau (IBB) Director Richard Lobo, Executive Director Jeffrey Trimble, Chief of Staff Marie Lennon, Deputy General Counsel and Board Secretary Paul Kollmer-Dorsey, Chief Financial Officer Maryjean Buhler, Director of the Office of Strategic Planning & Performance Measurement Bruce Sherman, Special Projects Officer Oanh Tran, Congressional Coordinator Susan Andross, Director of Public Affairs Letitia King, Jay Tolson on IPA from RFE/RL, and Board Operations and Policy Adviser Ashley Pyle; David Ensor, Director of the Voice of America (VOA); Steven Korn, President of Radio Free Europe/Radio Liberty (RFE/RL); Libby Liu, President of Radio Free Asia (RFA); Brian Conniff, President of the Middle East Broadcasting Networks (MBN); Steve Redisch, VOA Executive Editor; Barbara Brady, VOA Chief of Staff; Mark Prah, VOA Associate Director for Operations; Rebecca McMenamin, VOA Acting Associate Director for Language Programming; Diane Butts, VOA Creative Director; Andre Mendes, IBB Director of the Office of Technology, Services, and Innovation; Kelu Chao, IBB Director of the Office of Performance Review; Gary Thatcher, IBB Director of the Office of Marketing and External Liaison; Bernadette Burns, RFA General Counsel; Anne Noble, MBN General Counsel; William Clancy, MBN Chief Financial Officer; Lynne Weil, Senior Advisor to the Under Secretary for Public Diplomacy & Public Affairs; and Ann Noonan, Executive Director of Committee for U.S. International Broadcasting.

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Approved:

Michael Lynton
Presiding Governor

Witnessed:

Paul Kollmer-Dorsey
Secretary

Attachments:

1. Agenda for January 13, 2012 Meeting
2. Minutes of November 18, 2011 Meeting
3. Resolution on Interference with BBG Broadcasts
4. Resolution Honoring the Voice of America's 70th Anniversary
5. Resolution Observing the 70th Anniversary of Mandarin and Cantonese Services of the Voice of America

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ATTACHMENT 4

RESOLUTION HONORING WALTER ISAACSON March 8, 2012

WHEREAS, Walter Isaacson, in his role as chairman of the Broadcasting Board of Governors from July 2010 to January 2012, supported the efforts of U.S. international broadcasting with dedication, knowledge and expertise;

WHEREAS, Mr. Isaacson, through his successful, decades-long career as a dedicated journalist and award-winning author, understands well the importance of press freedom and freedom of expression to the cause of democracy and human rights;

WHEREAS, Mr. Isaacson spearheaded the reform of U.S. international broadcasting to meet the changing needs of its global audiences;

WHEREAS, Mr. Isaacson championed innovations of many kinds to inform, engage, and connect with audiences;

WHEREAS, Mr. Isaacson provided outstanding leadership as chairman of the Broadcasting Board of Governors; and

WHEREAS, the Board continues to benefit from Mr. Isaacson's wisdom and counsel concerning the long-term strategic reorganization and success of U.S. international broadcasting.

NOW, THEREFORE, be it resolved that the Broadcasting Board of Governors honors Mr. Isaacson's outstanding service to the Agency, and in particular his vision for the future of U.S. international broadcasting.

BE IT FURTHER RESOLVED that an appropriate copy of this resolution be forwarded to Walter Isaacson.

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ATTACHMENT 5

RESOLUTION HONORING ANN STOCK March 8, 2012

WHEREAS, as part of the duties delegated to her to lead the U.S. Department of State's efforts in Public Diplomacy and Public Affairs, Assistant Secretary of State Ann Stock enthusiastically served as the Secretary's designee to the Broadcasting Board of Governors (BBG) from July 2011 to February 2012;

WHEREAS, Ms. Stock shares Secretary of State Hillary Rodham Clinton's view that U.S. government civilian broadcasting overseas plays a key role in U.S. national security and foreign policy;

WHEREAS, during her service Ms. Stock was deeply engaged in the issues before the Board, including the introduction of its new, five-year strategy for the future of U.S. international broadcasting;

WHEREAS, Ms. Stock placed special emphasis on fostering closer cooperation between the U.S. Department of State and the BBG at all levels and in numerous ways;

WHEREAS, having ably served in this interim role, Ms. Stock has happily returned to her original position at the helm of the Bureau of Educational and Cultural Affairs (ECA); and

WHEREAS, on this International Women's Day it is especially appropriate to recognize Ms. Stock's achievements in ECA promoting empowerment of women and girls;

NOW, THEREFORE, be it resolved that the Board warmly thanks Ms. Stock for her service, and the Governors offer their personal best wishes in her continued work on behalf of our country.

BE IT FURTHER RESOLVED that an appropriate copy of this resolution be forwarded to Ann Stock.

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ATTACHMENT 6

RESOLUTION HONORING MICHAEL MARCHETTI March 8, 2012

WHEREAS, Michael R. Marchetti has faithfully and tirelessly dedicated his efforts to Radio Free Europe/Radio Liberty (RFE/RL) since 1966;

WHEREAS, during this time Mr. Marchetti has expertly assisted and guided 13 RFE/RL presidents;

WHEREAS, since 1977 Mr. Marchetti has served as RFE/RL's Treasurer and Chief Financial Officer, and since 1986 also as RFE/RL's Vice President of Finance;

WHEREAS, Mr. Marchetti provided particularly invaluable contributions during the merger of Radio Free Europe and Radio Liberty in 1976, the move of RFE/RL to Prague in 1995, the building of a new Prague broadcasting headquarters in 2009, and as Acting CEO and Senior Vice President of Finance in 2011;

WHEREAS, the Michael R. Marchetti Conference Room in the RFE/RL Prague broadcasting headquarters is named in his honor;

WHEREAS, Mr. Marchetti has announced his retirement from RFE/RL effective no later than March 31, 2012; and

WHEREAS, Mr. Marchetti wise advice and leadership will be missed.

NOW, THEREFORE, be it resolved that the Broadcasting Board of Governors expresses its deep gratitude and appreciation for his loyal and outstanding service in furtherance of the causes of RFE/RL, U.S. international broadcasting, and freedom and democracy abroad; and

BE IT FURTHER RESOLVED that a copy of this resolution be presented to Michael R. Marchetti during an appropriate ceremony upon his retirement and that best wishes be extended to him.

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ATTACHMENT 7

RESOLUTION HONORING THE 10th ANNIVERSARY OF RADIO SAWA OF THE MIDDLE EAST BROADCASTING NETWORKS March 8, 2012

WHEREAS, Radio Sawa was launched on March 22, 2002, is part of Middle East Broadcasting Networks, Inc. and will be celebrating its 10th anniversary in 2012;

WHEREAS, Radio Sawa created a new and unique program format, which has spawned numerous imitators throughout the Middle East;

WHEREAS, Radio Sawa broadcasts accurate and objective news reports to the people of Bahrain, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Morocco, Palestinian Territories, Qatar, Saudi Arabia, Sudan, Syria, United Arab Emirates and Yemen;

WHEREAS, Radio Sawa operates a multimedia platform, including an all-news website in Arabic that people in the region have come to rely on for the most up-to-date news and information;

WHEREAS, Radio Sawa has grown into seven distinct streams providing localized music and news to attract millions of listeners each week;

WHEREAS, Radio Sawa continues to be one of the top radio networks, distributed across 40 FM and 4 medium wave transmitters, throughout the Middle East;

WHEREAS, Radio Sawa's unique programming and news reaches the Arab youth during a time of political transition;

WHEREAS, Radio Sawa is frequently cited in the Arabic press and recognized as a credible source for breaking news; and

WHEREAS, Radio Sawa continues to provide on-the-ground reports from the region's hotspots – including Tahrir Square, Libya, Iraq and Sudan.

NOW, THEREFORE, be it resolved by the Broadcasting Board of Governors that we celebrate and commemorate the 10th anniversary of Radio Sawa. Be it further resolved that the Board applauds and thanks current and former members of Radio Sawa for their dedication to professional journalism for the past decade.

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ATTACHMENT 8

REPORT OF THE BBG GOVERNANCE COMMITTEE

Members: Walter Isaacson, Chair of the Broadcasting Board of Governors (*ex officio*)
Governor Dennis Mulhaupt, Committee Chair
Governor Victor Ashe, Committee Member
Governor Michael Lynton, Committee Member

Meeting Date: Thursday, November 17, 2011

Venue: BBG Headquarters, Washington D.C.

This meeting of the Governance Committee took place on November 17, 2011 at BBG Headquarters. Governor Dennis Mulhaupt chaired the proceedings. Governor Victor Ashe was also in attendance. BBG Chair Walter Isaacson and Governor Michael Lynton were not in attendance.

The agenda of the meeting is set forth in Attachment 1 to this report.

Based on its deliberations, the Governance Committee makes the following recommendations to the plenary Board:

Adoption of September 2011 Governance Committee Report

- That the plenary Board adopt the September 14, 2011 Governance Committee report in its entirety, noting that the plenary Board already adopted a number of recommendations individually at its September 15, 2011 Board meeting. The September 2011 Governance Committee report is included in Attachment 2.

Board Meetings¹

- The Committee considered the 2012 Board Meeting schedule and, more generally, the structure of Board meetings.
- That the plenary Board note its existing decisions to establish a Committee structure in order to focus and facilitate Board consideration of strategic and high-level operational issues and its November 2010 decision that “[i]n order to take advantage of BBG staff resources as efficiently as possible, individual Governors should endeavor, where possible, to raise new issues and requests for information as agenda items within the Board’s existing committee structure...”

¹ The Board adopted a revised 2012 BBG meeting schedule by notation vote in December 2011. The revised schedule is set forth in Attachment 3.

Minutes of March 8, 2012 Meeting

- That the plenary Board note the September 15, 2011 Board decision directing the IBB Director to develop a protocol for producing minutes for all future closed meetings of the plenary Board and releasing to the public such portions of the minutes as may be lawful and prudent to release. The Board also specified that the protocol should involve a mechanism for interested Governors to review the minutes prior to their release.
- That the plenary Board adopt the proposed protocol for the release of materials from closed meetings which is consistent with the requirements of the Government in the Sunshine Act. The plenary Board should direct the Board Secretary to incorporate the protocol into the BBG By-Laws for adoption by the Board.

Joint Audit Committee for Grantees

- The Committee considered Audit Committees composed of the same individual Governors for each BBG-sponsored Grantee. The Committee deferred continued consideration to a later time.

Use of Contractors at BBG

- That the Committee note that the Agency's mission requires operational nimbleness and technological expertise which the BBG can achieve only by being able to adjust its workforce through a mix of full-time employees and contractors.
- That the Committee encourage the IBB Director to continue taking steps to address the concerns of contractors and other problems associated with their use, and note the IBB Director is carrying out a detailed assessment of the number and use of contractors at the Agency and seeking information on issues affecting contractors to better enable the Agency to address the problems involved.

Other attendees: Richard Lobo, IBB Director; Jeffrey Trimble, BBG Executive Director; Marie Lennon, IBB Chief of Staff; Jack Welch, IBB Senior Adviser; Paul Kollmer-Dorsey, IBB Staff and Board Secretary; Maryjean Buhler, Chief Financial Officer; Oanh Tran, Special Projects Officer; Ashley Pyle, Board Operations and Policy Adviser; David Ensor, VOA Director; Barbara Brady, VOA Chief of Staff; Bernadette Burns, RFA General Counsel; Richard Smith, RFA Budget Director; Michael Marchetti, RFE/RL Chief Financial Officer; Ben Herman, RFE/RL Assistant General Counsel; Kelley Sullivan, MBN Vice President for Administration; Anne Noble, MBN General Counsel; and Andrew Krog, Assistant General Counsel.

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ATTACHMENT 1

MEETING OF THE BBG GOVERNANCE COMMITTEE

November 17, 2011

2:00– 4:00 PM

BBG Conference Room

Members Walter Isaacson, Chair of the Broadcasting Board of Governors (*ex officio*)
Governor Dennis Mulhaupt, Committee Chair
Governor Victor Ashe, Committee Member
Governor Michael Lynton, Committee Member

AGENDA

Agenda Topic 1 Adoption of September 2011 Governance Committee Report

Agenda Topic 2 Board Meetings

- 2012 Board Meeting Schedule
- Board Meeting Structure (meeting length and frequency)
- Proposed Protocol for Release of Materials from Closed Board Meetings

Agenda Topic 3 Joint Audit Committee for Grantees

Agenda Topic 4 Use of Contractors at BBG

Other Attendees Richard Lobo, IBB Director
Jeffrey Trimble, BBG Executive Director
Marie Lennon, IBB Chief of Staff
Jack Welch, IBB Senior Adviser
Paul Kollmer-Dorsey, IBB Staff and Board Secretary
Maryjean Buhler, Chief Financial Officer
Oanh Tran, Special Projects Officer
Ashley Pyle, Board Operations and Policy Adviser
David Ensor, VOA Director
Barbara Brady, VOA Chief of Staff
Bernadette Burns, RFA General Counsel
Richard Smith, RFA Budget Director
Michael Marchetti, RFE/RL Chief Financial Officer
Ben Herman, RFE/RL Assistant General Counsel
Kelley Sullivan, MBN Vice President for Administration
Anne Noble, MBN General Counsel
Andrew Krog, Assistant General Counsel
Other BBG and Grantee staff members will be invited to support the meeting based on their interest and expertise.

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ATTACHMENT 2

REPORT OF THE BBG GOVERNANCE COMMITTEE

September 14, 2011

10:00 – 1:00 EST

BBG Conference Room

Members Walter Isaacson, Chair of the Broadcasting Board of Governors (*ex officio*)
Governor Dennis Mulhaupt, Committee Chair
Governor Victor Ashe, Committee Member
Governor Michael Lynton, Committee Member
Governor Enders Wimbush, Committee Member

This meeting of the Governance Committee took place on September 14, 2011 at BBG Headquarters. Governor Dennis Mulhaupt chaired the proceedings. Chairman Walter Isaacson and Governor Victor Ashe were also in attendance. Governors Michael Lynton and Governor Enders Wimbush were not in attendance.

Based on its deliberations, the Governance Committee made the following recommendations to the plenary Board:

Governance Committee Business

- **Adoption of the July 13, 2011 Governance Committee Report**
 - That the plenary Board adopt the July 13, 2011 Governance Committee report in its entirety, noting that the plenary Board already adopted a number of the recommendations individually at its July 14, 2011 Board meeting.²

Implementation of Board's Current Decisions on Reorganization

- **Status of IBB/BBG Merger**
 - That the plenary Board note that a reprogramming letter outlining the new IBB offices was sent to the Agency's Congressional oversight committees on August 26, 2011.³
 - That the plenary Board direct the IBB Director to create the offices contemplated in the reprogramming letter and previously approved by the Board in order to implement

² Adopted by the plenary Board at the September 15, 2011 Board Meeting.

³ Adopted by the plenary Board at the September 15, 2011 Board Meeting, noting that Congressional concurrence was received on September 14, 2011.

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the IBB/BBG merger, once the Congressional committees' concurrence has been received.⁴

- **Revision of Grant Agreement**

- That the plenary Board note the plenary Board's September 2010 decision to revise the terms and conditions of the grant agreements to correspond to the operational realities of the relationships between the BBG and each respective Grantee, the requirements of the U.S. International Broadcasting Act of 1994, as amended, and federal grant law.⁵
- That the plenary Board note that IBB staff has worked with the legal and financial staffs of the Grantees to prepare a revised grant agreement in order to satisfy the requirements of the September 2010 Board decision.⁶
- That the plenary Board note the advice of the BBG Office of General Counsel that the proposed grant agreement is consistent with the BBG's statutory authority and complies with all applicable laws and regulations.⁷
- That the plenary Board approve the revised grant agreement in all material respects and direct the IBB Director to work with the Grantees to finalize the agreements and issue them to the grantees for signature by no later than October 1, 2011.⁸

(The Committee notes that Governor Ashe did not support the recommendation for the plenary Board to approve the revised grant agreement, noting his concerns with Article IV(C)(4) dealing with Congressional and Executive Branch communications and outreach activities, among other concerns. After discussion, the Committee instructed IBB staff to make changes to the revised grant agreement to address Governor Ashe's concerns regarding the applicability of the provision to the activities of individual Governors, to grantee newsgathering activities and to contacts with U.S. embassies.)

Development of BBG Strategic Plan

- The Committee noted information provided by the IBB Director on the status of the BBG strategic plan and proposed procurement of management consultant services to support implementation of the plan, once adopted by the plenary Board.

⁴ Adopted by the plenary Board at the September 15, 2011 Board Meeting, noting that Congressional concurrence was received on September 14, 2011.

⁵ Adopted by the plenary Board at the September 15, 2011 Board Meeting.

⁶ Adopted by the plenary Board at the September 15, 2011 Board Meeting.

⁷ Adopted by the plenary Board at the September 15, 2011 Board Meeting.

⁸ Adopted by the plenary Board at the September 15, 2011 Board Meeting.

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Board Operations

- **Consideration of Allowing Proxy Voting in Board Committees**
 - The Committee considered permitting voting by proxy in BBG Committees and deferred continued consideration to a later time.

- **Discussion Regarding Release of Materials from Closed Board Meetings**
 - That the plenary Board direct the IBB Director to develop a protocol for producing minutes for all future closed meetings of the plenary Board and releasing to the public such portions of the minutes as may be lawful and prudent to release. The protocol should involve a mechanism for interested Governors to review the minutes prior to their release.⁹

⁹ Adopted by the plenary Board at the September 15, 2011 Board Meeting.

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ATTACHMENT 3

2012 BOARD MEETING SCHEDULE¹⁰

<u>MONTH</u>	<u>DATES</u>	<u>VENUE</u>
January	12 (Thursday)	Off-Site (Full day) (Washington, D.C)
	13 (Friday)	BBG Headquarters (Washington, D.C)
March	8 (Thursday)	MBN Headquarters (Springfield, VA)
	9 (Friday)	BBG Headquarters (Washington, D.C)
April	19 (Thursday)	OCB Headquarters (Miami, FL)
	20 (Friday)	
June	7 (Thursday)	RFE/RL Headquarters (Prague, Czech Republic)
	8 (Friday)	
July	12 (Thursday)	BBG Headquarters (Washington, D.C)
	13 (Friday)	
September	13 (Thursday)	BBG Headquarters (Washington, D.C)
	14 (Friday)	
October	11 (Thursday)	BBG Headquarters (Washington, D.C)
	12 (Friday)	
November	15 (Thursday)	RFA Headquarters (Washington, D.C.)
	16 (Friday)	
December	13 (Thursday)	BBG Headquarters (Washington, D.C)
	14 (Friday)	

¹⁰ This schedule was adopted by the Board by notation vote in December 2011.

REPORT OF THE BBG GOVERNANCE COMMITTEE¹

Members: Governor Dennis Mulhaupt, Committee Chair
Governor Victor Ashe, Committee Member
Governor Michael Lynton, Committee Member
Governor Susan McCue, Committee Member

Meeting Date: Thursday, February 9, 2012

Venue: BBG Headquarters, Washington D.C.

This meeting of the Governance Committee took place on February 9, 2012 at BBG Headquarters. Governor Dennis Mulhaupt chaired the proceedings. Governor Victor Ashe was also in attendance. Governors Michael Lynton and Governor Susan McCue participated in the meeting via telephone.

The agenda of the meeting is set forth in Attachment 1 to this report.

Based on its deliberations, the Governance Committee makes the following recommendations to the plenary Board:

Discussion to Frame Issues Concerning Use of Human Capital within BBG-Funded United States International Broadcasting

- The Committee noted the IBB Director's proposed protocol for the March 2012 Governance Committee discussion concerning BBG employee morale and related issues and the use of contractors at BBG.
- Drawing from the IBB Director's proposal, the Committee discussed the most effective and appropriate manner for handling the discussion at the March 2012 meeting of the Governance Committee and agreed on the protocol included in Attachment 2.
- The Committee heard from the Chief Financial Officer and noted that in 2011, three percent (3%) of payments to contractors were delayed. The Committee recommends that the plenary Board direct the IBB Director to develop a protocol for making timely and consistent payments for contracted services, which should include transitioning to an electronic system for processing and receiving payments. The IBB Director is requested to implement an electronic system by Thanksgiving 2012.

¹Adopted by the plenary Board at the March 8, 2012 meeting of the Board.

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Future Structure of United States International Broadcasting: Grantee Consolidation

- The plenary Board announced its intention at the January 2012 Board meeting to issue the three grants which BBG currently makes separately to Radio Free Europe/Radio Liberty (RFE/RL), Radio Free Asia (RFA) and Middle East Broadcasting Networks (MBN) to a single, consolidated Grantee (when created) subject to Administration approval, Congressional consultation and guidance, and other due diligence and the implementation of a consolidation transaction plan approved by the Board.
- The Board instructed the IBB Director, working with Governor Mulhaupt, to develop a plan for structuring, documenting, and implementing a grantee consolidation transaction, including the conduct of adequate due diligence and secure the services of legal and other experts who may be required to assist in the transaction. The Board requested the IBB Director to provide such a plan, and a proposed budget for its implementation, to the Board for its consideration at the March 2012 Board meeting.²
- The Board also authorized and encouraged the IBB Director to work in close cooperation with the Grantees. The Board authorized the IBB Director to work with Brian Conniff, President of MBN, who will act as project leader for the consolidation, in preparing the requested plan. The Board directed and encouraged all elements of USIB to cooperate fully with the IBB Director in facilitating the timely and accurate completion of the requested plan and budget.
- That the plenary Board note that the Governance Committee received a briefing from Brian Conniff on the status of the Grantee consolidation, which included the following points:
 - Working groups comprised of professionals from each BBG-sponsored Grantees (RFE/RL, RFA and MBN) have been established to collect and provide information needed to develop a plan for a grantee consolidation transaction. Six working groups were formed for the following functional areas: administrative/facilities, human resources, legal, communications, financial/budget, and technology.
 - Each working group is tasked with identifying activities and functions that need to be addressed in order to achieve consolidation, potential obstacles to planning and implementation, and strategies to overcome obstacles. The working groups will also estimate transaction costs arising from consolidation, and propose a functional structure, staffing levels, and budget for the consolidated grantee.
 - Deloitte Consulting, LLP, has been engaged to review the working groups' input and to make suggestions on how to best proceed.

² The IBB Director's provision of a grantee consolidation plan and proposed budget for its implementation to the Board for its consideration has been delayed to the April 2012 Board meeting.

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- An initial meeting was held with staff members of the Senate Foreign Relations Committee to gauge reaction to the grantee consolidation plan.
- That the plenary Board note that a draft consolidation transaction plan with a transaction timeline and a proposed implementation budget will be presented to the Board at its April 2012 meeting.

Future Structure of United States International Broadcasting: International Broadcasting Innovation Act

- At its January 2012 meeting, the Board announced its intention to pursue legislation to be called the International Broadcasting Innovation Act of 2012 (the “IBIA”). The Board directed the IBB Director to work with IBB staff and outside experts, and with Governor McCue, in order to develop a draft IBIA for the Board’s further consideration. The Board specified that the draft IBIA should include five (5) basic attributes:
 - Optimal mix of federal and non-federal assets to implement the Board’s strategic plan
 - Creation of Chief Executive Officer
 - Elimination of IBB Director as a Presidentially-appointed and Senate-confirmed appointment
 - Repeal of the ban on domestic dissemination
 - New name for the agency to reflect the unified structure
- That the plenary Board note that Ms. Lynne Weil began her appointment as the Director of the Office of Communications and External Affairs on February 6, 2012. The Governance Committee received a briefing from Ms. Weil on the status of the International Broadcasting Innovation Act, which included the following:
 - Governor Susan McCue, Ms. Weil, and Mr. Conniff met with Senate Foreign Relations Committee staffers Paul Foldi (minority) and Deputy Staff Director Peter Scoblic (majority) to discuss agency interaction in the wake of the Board’s decisions regarding the restructuring of U.S. international broadcasting and to consider options for the International Broadcasting Innovation Act.
 - Regarding the Board’s decision to develop IBIA and streamline United States international broadcasting, the staffers made the following comments and suggestions:
 - The legislative process will take at least two years to complete.
 - The Board should take a two-pronged approach: developing the legislation and encouraging discussion in the media and among recognized broadcast professionals recognizing the need for change, including advocacy by past and current Board members.

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- The formation of an advisory committee could be useful in gathering support of both traditional broadcasters and new media.
- The legislation should include the idea of moving to a more appropriate location than the Cohen building, with state of the art technology.
- Regarding the other main pillars of the strategy – creation of a Board-appointed CEO, grantee consolidation, and repeal of the Smith-Mundt domestic dissemination ban – the staffers provided the following comments and suggestions:
 - The goals of unifying hiring, salary and benefits, procurement, consolidation of the physical plant, and other functions of the grantees are worthy, but the main benefit of grantee consolidation is the elimination of program duplication.
 - The Senate staff members also encouraged BBG to “think big” to address concerns of private vs. federal staffing, and to make known China’s growing communications expenditures and presence in order to highlight the need to invest in U.S. international broadcasting.

Governance Committee Housekeeping Matters

- **Discussion of the Role of the BBG Chair**
 - The Committee deferred discussion of the role of the BBG Chair in light of the special telephonic meeting of the plenary Board scheduled for February 11, 2011.
- **Adoption of November 2011 Governance Committee Report, including the Protocol for Release of Material from Closed Board Meetings.**
 - The Committee considered the report from the November 17, 2011 Governance Committee meeting, noting that it also includes the Governance Committee report of the September 14, 2011 meeting. The plenary Board has already adopted a number of recommendations in the September 2011 Committee report individually at its September 15, 2011 Board meeting.
 - The Committee received an updated proposed protocol for the release of materials from closed meetings to account for retention and disposition of Board recordings or transcripts at the February 2011 Committee meeting.
 - The Committee deferred adopting the November 2011 Governance Committee report pending further discussion on the updated proposal for the protocol for release of material from closed board meetings.

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- **Protocol for Providing Notice of Board Resolutions**
 - That the plenary Board should continue its current practice regarding notice of Board resolutions, recognizing the need to provide as much notice as practicable to individual Governors on the proposed wording of resolutions under consideration by the Board.

- **Formalizing Board Committee Roster**
 - The Committee discussed the current membership of BBG Committees and deferred adoption of a BBG Committee roster to a later date.
 - The Committee recommends that the plenary Board note membership of BBG committees requires a decision of the plenary Board.

- **Use of Proxies at Committee Meetings**
 - That the plenary Board note that the Governance Committee considered permitting voting by proxy at its September 2011 Committee meeting and informally decided that proxy voting would be inappropriate for meetings of the plenary Board.
 - That the plenary Board note that there is scope for the use of proxy voting at the Committee-level of the BBG Board because Committees make recommendations to the Board, rather than decisions, per the BBG By-Laws.
 - That the plenary Board note that the Governance Committee may revisit the use of proxy voting at the Committee-level at a future meeting.

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ATTACHMENT 1

MEETING OF THE BBG GOVERNANCE COMMITTEE

February 9, 2012

2:00 – 5:00

BBG Conference Room

Members
Governor Dennis Mulhaupt, Committee Chair
Governor Victor Ashe, Committee Member
Governor Michael Lynton, Committee Member
Governor Susan McCue, Committee Member

AGENDA

- Preliminary Topic*** **Discussion to Frame Issues Concerning Use of Human Capital within BBG-Funded United States International Broadcasting**
- Employee Morale and Other Issues Raised in the Federal Employee Viewpoint Survey
 - Use of Contractors (including payment)
- Agenda Topic 1*** **Future Structure of United States International Broadcasting: Grantee Consolidation**
- Status Update on Grantee Consolidation Transaction Plan
 - Status Update on Grantee Consolidation Planning for Future Operations of Consolidated Entity
- Agenda Topic 2*** **Future Structure of United States International Broadcasting: International Broadcasting Innovation Act**
- Status Update on Planning to Date for International Broadcasting Innovation Act
 - Proposed Models of Executive Leadership (relationship among Board & CEO) for International Broadcasting Innovation Act
- Agenda Topic 3*** **Governance Committee Housekeeping Matters**
- Discussion of the Role of the BBG Chair
 - Adoption of November 2011 Governance Committee Report, including the Protocol for Release of Material from Closed Board Meetings
 - Protocol for Providing Notice of Board Resolutions
 - Formalizing Board Committee Roster
 - Use of Proxies at Committee Meetings

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ATTACHMENT 2

PROPOSED PROTOCOL FOR THE MARCH 2012 GOVERNANCE COMMITTEE DISCUSSION CONCERNING BBG EMPLOYEE MORALE AND RELATED ISSUES AND THE USE OF CONTRACTORS AT BBG

- The Governance Committee plans to hold a Committee meeting on March 7, 2012, from 9 a.m. to 11:30 a.m.
- At the meeting, Committee members will consider and discuss issues relating to employee morale and to the use of contractors at BBG.
- The Committee recommends the following proposed manner for organizing and facilitating the discussion of these issues:
 - The discussion on employee morale should begin with a statement by the IBB Director about the factors that contribute to low morale as well as Agency actions being taken to address the issue.
 - After this statement, representatives from the Agency's three (3) Unions should submit oral or written statements about their views on employee morale issues. A question and answer period should follow during which the Governors can ask questions.
 - The IBB Director should be prepared to address the questions or concerns raised by the Unions and have staff available to provide more details on steps the Agency is taking to address particular problems.
 - Upon the conclusion of the discussion on employee morale, three (3) contractors should be invited for a discussion of contractor-specific issues. The IBB Director should determine an appropriate method for allowing Agency contractors to select representative contractors to speak to the Governance Committee about their experiences at the Agency.
 - This discussion on the use of contractors should also begin with a brief opening statement from the IBB Director summarizing the Agency's knowledge and efforts thus far regarding contractors. At this point, the contractors should be invited to speak and a question and answer period with the Governors should follow.
 - The IBB Director should be prepared to offer additional information on how the Agency plans to address the problems raised.
 - Union representatives and contractors will be invited to remain to listen to each other's respective presentations and question-and-answer sessions with the Committee members.