



REPORT OF THE BBG GOVERNANCE COMMITTEE MEETING

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

Meeting Date: Wednesday, March 7, 2012

Venue: BBG Headquarters, Washington D.C.

This meeting of the Governance Committee took place on March 7, 2012 at BBG Headquarters. Governor Dennis Mulhaupt chaired the proceedings. Governor Victor Ashe and Governor Susan McCue were also in attendance. Governor Michael Lynton was not in attendance. Governor Michael Meehan attended a portion of the meeting to contribute to the discussion on the Freedom2Connect Foundation.

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:

Freedom2Connect Foundation

- That the plenary Board note that the Governance Committee received a briefing from the President of Radio Free Asia (RFA) on the relationship between RFA and the Freedom2Connect Foundation. The President reported to the Committee that the Freedom2Connect Foundation is an entirely independent and separate legal entity from Radio Free Asia and is not connected in any way to United States international broadcasting. On that basis, the Committee concluded that there is no oversight role for the Board of Governors to play with respect to the foundation.
- That the plenary Board note that, with respect to grantee fund-raising, Article IX of the grant agreement adopted by the Board in September 2011 states:

Grantee may not engage in fundraising from other sources except in accordance with the principles of fundraising to be agreed by BBG and Grantee. Grantee is prohibited from using any Federal funds to finance its fundraising efforts.
- That the plenary Board direct the International Broadcasting Bureau (IBB) Director to work with appropriate representatives of each BBG-sponsored grantee to develop a set of

fundraising principles that meets the standard required by Article IX of the grant agreement.

Role of the Presiding Governor

- **Discussion of Authorities of the Presiding Governor**

- That the Board note the February 11, 2012 decision of the plenary Board during a special telephonic meeting to appoint Governor Michael Lynton as the “Presiding Governor” on an interim basis until such time as the Board select an alternate presiding Governor, Governor Lynton chooses to step down as Presiding Governor, or a new Chairman is appointed by the White House and confirmed by the Senate.
- That the Board agree to the following statement of the authorities of the Presiding Governor:
 - 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.¹

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 perform the duties of the Presiding Governor in the event the Presiding Governor is absent from a meeting or is otherwise unable to perform his or her duties.²

- That the plenary Board agree to appointing Governor Dennis Mulhaupt as the Alternate Presiding Governor.³
- That the plenary Board direct the IBB Director to draft and submit an amendment to the By-Laws to reflect the roles and authorities of the Presiding Governor for consideration by the Board at the April 2012 meeting of the plenary Board.

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

² Adopted by the plenary Board at the March 8, 2012 Board Meeting.

³ Adopted by the plenary Board at the March 8, 2012 Board Meeting.



Future Structure of United States International Broadcasting

- **Update on Grantee Consolidation**

- That the plenary Board note that the Governance Committee received a briefing from Brian Conniff, the Board's designated Project Leader and President of Middle East Broadcasting Networks, on the status of the Grantee consolidation, which included the following points:
 - The grantees continue to meet in working groups for human resources, communication, technology, finance, legal, and administration on a weekly basis.
 - The heads of the working groups will meet the week of March 19, 2012 to compile their findings and produce a draft consolidation transaction plan with a timeline and a proposed implementation budget for consideration by the IBB Director and the Board at the April 2012 meeting of the plenary Board.

- **Update on International Broadcasting Innovation Act (IBIA)**

- That the plenary Board note that the Governance Committee received a briefing from Lynne Weil, the Director of the Office of Communications and External Affairs, which included the following points:
 - The Agency has continued its outreach efforts with Congress, most recently meeting with the Senate foreign relations staff and the Senate Foreign Relations and the Senate Appropriations staff.
 - The meetings with Congressional stakeholders have emphasized the importance of receiving input and ideas for the eventual drafting of the International Broadcasting Innovation Act.
 - The IBB Director continues to work with staff, with the guidance of Governor McCue, to develop recommendations for a draft IBIA in a manner consistent with the January 2012 Board decision.

Governance Committee Housekeeping Matters

- **Adoption of November 2011 Governance Committee Report, including the Protocol for Release of Material from Closed Board Meetings⁴**
 - That the plenary Board adopt the report of the November 17, 2011 Governance Committee (included in Attachment 2) noting that it includes the protocol for release of materials from closed Board meetings. The Committee considered the protocol at the November 2011 meeting and an updated version at the February meeting. The proposed protocol is included in Attachment 3. As stated in the November 2011 Governance Committee report, the plenary Board should direct the Board Secretary to incorporate the protocol into the BBG By-Laws for adoption by the Board.

- **Adoption of February 2012 Governance Committee Report⁵**
 - That the plenary Board adopt the report of the February 9, 2012 Governance Committee meeting. The report is included in Attachment 4.

- **Discussion of BBG Committee Membership**
 - That the plenary Board note that membership of BBG committees requires a decision by the plenary Board.

 - That the plenary Board adopt the following Committee rosters⁶:
 - 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.

 - The Governance Committee is chaired by Governor Mulhaupt. Governors Ashe, Lynton, and McCue are members of the Governance Committee.

 - The Strategy and Budget Committee is co-chaired by Governors Meehan and Wimbush. Governor Ashe is a member of the Committee.

⁴ Adopted by the plenary Board at the March 8, 2012 Board Meeting.

⁵ Adopted by the plenary Board at the March 8, 2012 Board Meeting.

⁶ Adopted by the plenary Board at the March 8, 2012 Board Meeting.

- That the plenary Board direct the IBB Staff to submit a By-Law amendment providing that the Chair is a non-voting *ex officio* member of each Committee of the BBG Board for consideration by the plenary Board at the April 2012 Board meeting.⁷
- **Discussion about BBG Resolution on 2012 BBG Policy Statements on Equal Employment Opportunity and Sexual Harassment**
 - The Committee discussed policy statements on equal employment opportunity and sexual harassment and decided to defer further consideration until the next meeting of the Governance Committee.

⁷ Adopted by the plenary Board at the March 8, 2012 Board Meeting.

MEETING OF THE BBG GOVERNANCE COMMITTEE

March 7, 2012
4:00-5:30 PM
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 **Radio Free Asia's Freedom2Connect Foundation**

Agenda Topic 1 **Role of the Presiding Governor**

- Discussion of Authorities of the Presiding Governor
- Amending BBG By-Laws to Reflect Presiding Governor's Authorities

Agenda Topic 2 **Future Structure of United States International Broadcasting**

- Update on Grantee Consolidation
- Update on International Broadcasting Innovation Act

Agenda Topic 3 **Governance Committee Housekeeping Matters**

- Adoption of November 2011 Governance Committee Report, including the Protocol for Release of Material from Closed Board Meetings
- Adoption of February 2012 Governance Committee Report
- Protocol for Governors Who are Contacted by Individual Employees and Contractors
- Discussion of BBG Committee Membership
- Discussion about BBG Resolution on 2012 BBG Policy Statements on Equal Employment Opportunity and Sexual Harassment

[ATTACHMENTS HAVE BEEN REMOVED]

REPORT OF THE BBG GOVERNANCE COMMITTEE⁸

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 Meetings⁹

- The Committee considered the 2012 Board Meeting schedule and, more generally, the structure of Board meetings.

⁸ Adopted by the plenary Board at the March 8, 2012 Board Meeting.

⁹ The Board adopted a revised 2012 BBG meeting schedule by notation vote in December 2011. The revised schedule is set forth in Attachment 5.

- 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...”
- 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 proposed protocol is included in Attachment 3. 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.



**PROPOSED PROTOCOL FOR RELEASE OF MATERIALS
FROM CLOSED BOARD MEETINGS¹⁰**

Closed Board meetings, or closed portions of open Board meetings, shall be recorded, either via video with audio, audio only, or by stenographer. The Board Secretary will create a complete record of the closed proceedings (either a verbatim transcript or unabridged recording, at the Board Secretary's discretion) in draft form within three (3) business days of a closed meeting or session; for meetings recorded by stenographer, a transcript should be obtained from the stenographer within three (3) business days.

The Board Secretary will highlight statements, testimony, or other information that may be subject to withholding from public release under the Government in the Sunshine Act (GISA) within three (3) business days. Interested Governors shall be provided a copy of the draft complete record to review not later than ten (10) calendar days after a closed meeting or session and should return the draft complete record with comments to the Board Secretary within five (5) business days.

The Board Secretary will finalize the complete record for legal sufficiency and compliance with the GISA and coordinate with Public Affairs for posting to the Agency's public website. The entire process should be completed in fewer than twenty-one (21) calendar days.

The Board Secretary shall maintain the original complete draft record and/or complete unabridged electronic recording of each meeting or portion of a meeting closed to the public for at least two years after such meeting, or until one year after the conclusion of any Board proceeding with respect to which the meeting or portion was held, whichever occurs later. After the applicable holding period expires, the Board Secretary shall dispose of such records in accordance with the Agency's applicable document retention schedule.

Once materials from closed Board meetings have been made available to the public, there is no requirement to maintain their availability beyond initial release. However, materials released to the public should generally be kept publically available on the Agency's website as long as space and funding permits.

¹⁰ The proposed protocol for release of materials from closed Board meetings was discussed at the November 17, 2011 and February 9, 2012 Governance Committee meetings. This protocol reflects the protocol considered by the Committee and adopted by the Board at the April 2012 meeting.

[ATTACHMENTS HAVE BEEN REMOVED]

REPORT OF THE BBG GOVERNANCE COMMITTEE¹¹

February 9, 2012

2:00 – 5:00 EDT

BBG Conference Room

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

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. Governor 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

¹¹ Adopted by the plenary Board at the March 8, 2012 Board Meeting.

electronic system for processing and receiving payments. The IBB Director is requested to implement an electronic system by Thanksgiving 2012.

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.¹²
- 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

¹² 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.

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.
- 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.
 - 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 protocol is included in Attachment 3.
- 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.
- **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.

2012 BOARD MEETING SCHEDULE¹³

<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)	

¹³ This schedule was adopted by the Board by notation vote in December 2011.

