



From: Broadcasting Board of Governors

Date: September 11, 2013

Subject: **Transcript of BBG Closed Meeting at 11:30 A.M. EDT on September 11, 2013**

On September 11, the members of the Broadcasting Board of Governors (BBG) held a special telephonic meeting to discuss and approve a budget submission for Fiscal Year (FY) 2015.

The following Board members participated by telephone:

Chairman Jeffrey Shell
Governor Matthew Armstrong
Governor Ryan Crocker
Governor Susan McCue
Governor Michael Meehan
Dan Sreebny, Senior Advisor for BBG, Office of the Under Secretary for Public Diplomacy & Public Affairs

The meeting was also attended by the following participants at BBG headquarters in Washington, D.C.:

Richard Lobo, Director of the International Broadcasting Bureau (IBB)
Suzie Carroll, Executive Director
Paul Kollmer-Dorsey, Deputy General Counsel and Board Secretary
Oanh Tran, Director of Board Operations
Jeffrey Trimble, IBB Deputy Director
Leslie Hyland, Chief Financial Officer (CFO)
MelaJo Kubacki, Deputy CFO
Marie Lennon, Chief of Staff
Bruce Sherman, Director of Strategy and Development
Lynne Weil, Director of Communications and External Affairs
Rob Bole, Director of the Office of Digital and Design Innovation
Andre Mendes, Director of the Office of Technology, Services and Innovation
Douglas Schuette, Executive Assistant to the IBB Director

SHELL: This is a closed meeting of the Board subject to the Government in the Sunshine Act in order to consider and approve a budget submission for Fiscal Year 2015. This meeting will be recorded and a redacted transcript of the meeting will be made available to the public.

Let's take a roll call quickly of the Governors on the phone as well as the participants in the conference room. Paul, do you want to do that really quickly?

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KOLLMER-DORSEY: Sure, I would be happy to. Governor Meehan, are you on the phone?

MEEHAN: Yes.

KOLLMER-DORSEY: And Governor McCue?

MCCUE: I'm here.

KOLLMER-DORSEY: Governor Crocker?

CROCKER: Present.

KOLLMER-DORSEY: Governor Armstrong?

ARMSTRONG: Here.

KOLLMER-DORSEY: Okay. So, we have a...and Mr. Sreebny?

SREEBNY: Yes, I'm here.

KOLLMER-DORSEY: And of course, Dan Sreebny is not formally a Governor, but we have a quorum of five members, and then we'll do a roll call vote round the table. Andre Mendes, why don't we start with you again?

SHELL: (inaudible) ... do that quickly.

MENDES: Andre Mendes.

KUBACKI: Melajo Kubacki.

TRIMBLE: Jeff Trimble.

BOLE: Rob Bole.

SCHUETTE: Douglas Schuette.

TRAN: Oanh Tran.

CARROLL: Suzie Carroll.

SHERMAN: Bruce Sherman.

WEIL: Lynne Weil.

LENNON: Marie Lennon.

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LOBO: Dick Lobo.

HYLAND: Leslie Hyland.

KOLLMER-DORSEY: Paul Kollmer-Dorsey.

LANCASTER: Ashley Lancaster.

KOLLMER-DORSEY: So, that's everyone in the room here.

SHELL: Great, thanks Paul. I'd like to welcome everybody, and before we get started, I'd like to first and foremost mark that this is the 12th anniversary of September 11th. It's been 12 years since the tragic day that changed the lives of every American, and the Board and everybody on the staff, our thoughts and prayers are with all those who mourn the loss of loved ones on September 11th. So, I'd like to just take a second here to acknowledge the memory of the victims.

(PAUSE)

Okay. So, today also reminds us of the critical mission of this agency of promoting freedom and democracy around the world by providing objective news and information.

So with that, I'd like to call the meeting to order. This is a closed meeting of the Broadcasting Board of Governors subject to the requirements of the Government in the Sunshine Act. The meeting is also being recorded and a transcript being prepared in accordance with the BBG By-Laws. A final BBG Fiscal Year 2015 budget proposal is due to the Office of Management and Budget (OMB) on September 23rd, and I'd like to quickly thank the staff for all the work that they've done and will do following this meeting to get this budget on time.

We've received two options for Fiscal Year 2015 budget submission, and let me just quickly talk about what those options are. And then, I'll open it up for any comment that we have and then we'll go to a vote.

GISA EXEMPTION (9) (B)

So, if Option One passes, we don't need to vote on Option Two, because Option Two is a subset of Option One.

GISA EXEMPTION (9) (B)

MEEHAN: This is Michael Meehan. One is a procedural question. If we're not allowed to discuss pre-decisional matters about the budget, yet we're having a meeting that's being recorded, how...how am I, as a member, allowed to discuss questions about the budget in a semi-public fashion?

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SHELL: No, we can discuss the budget, Michael. I was going to get to that in a second.

KOLLMER-DORSEY: Governor Meehan, do you need me to weigh in, or not? This is Paul.

SHELL: No, not yet Paul. I was just explaining the two options before we got to discussion, Michael. So, I am just asking for any questions first about what's in the two proposals. Are there any questions of what's in the two proposals? And then, we'll get to the discussion.

MEEHAN: Right, so Jeff, before I vote, there are seven matters that I want to raise, and that I put in a memo that Jeff Trimble and Bruce Sherman and I drafted. Is this the opportunity to discuss that, or not?

SHELL: Yes, in one second Michael. I just want to get procedurally...almost there, so hold on one second. So, I just want to make sure people are clear on the two options, and I also want to make clear that since we have a quorum right now. And Paul, correct me if I'm wrong, it will take three votes of affirmative to approve a budget because we have five members present. Is that correct, Paul?

KOLLMER-DORSEY: Yes, that's correct.

SHELL: Okay, with that, Michael, why don't you quickly take a minute or two and go through the items you and Jeff sent all of us in the memo and point out anything. And then, we can open it up for further discussion.

MEEHAN: Okay, so I'm sorry that I don't have clarity on this, and I thought that Paul Kollmer-Dorsey, because he has advised us over the three years I've been on the Board, that we're not allowed to talk in public about...about pre-decisional matters per OMB regulations. And the seven things I want to talk about are definitely in the pre-decisional category.

KOLLMER-DORSEY: But we're in a closed meeting of the Board. So, it's not a public discussion.

MEEHAN: But...but Chairman Shell said that it's being recorded, and it would be made available to the public.

KOLLMER-DORSEY: No, what he...what he said...he said that, but he said a little more than that. It's recorded under the requirements of the Government in the Sunshine Act. And then, we'll follow the procedures that are in the By-Laws dealing with the public release of matters from closed meetings that require us to go through and redact any information that would be prohibited by OMB regulation from being disclosed. So, you can feel free to have any discussion that you want in this context, and also, anyone...any Governor who is interested can review both the entire transcript and the redacted transcript before it is made public.

MEEHAN: Okay, great. I just didn't know how the circle...square...on that. So hopefully yesterday...last night, Oanh had sent around. In the last six or nine months in the time that I've

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been on the Committee doing the work for the language service review, up until today, we tried to find places where the senior staff of all the companies and the IBB staff could agree about matters

GISA EXEMPTION (9) (B)

But I also wanted to make all of you—my colleagues—aware of some of these issues, because I think that even though three of you are just in your second month on the Board. As Susan and I learned, we voted on a budget two months into the Board, and come spring of that year, you know...we—as Board members—owned all of the decisions in them whether we understood them or not. So, I just wanted to flag these for you before we make a final vote.

GISA EXEMPTION (9) (B)

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SHELL: Okay. This is Jeff Shell. Can you guys hear me? I kind of cut out there for a second. Can you hear me in the room, Paul?

KOLLMER-DORSEY: Yes.

MCCUE: We can hear you.

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SHELL: So, first of all...first of all, I want to thank Michael, you again, and Jeff and Marie and the staff for all the hard work here. I happen to agree with everything you just went through.

GISA EXEMPTION (9) (B)

So, I personally...so, are there any comments or questions on what Governor Meehan just went through?

CROCKER: This is Ryan. First, Michael, thank you very much for the thought that went into that memo. Hugely valuable to me, as a new guy.

GISA EXEMPTION (9) (B)

But I think you're square-on on all of this, and it was hugely helpful to me.

SHELL: Great.

MCCUE: And I don't have any comments, Jeff, because Michael and I have been through this in greater detail over the years.

GISA EXEMPTION (9) (B)

SHELL: Fantastic. Matt or Dan, anything?

ARMSTRONG: This is Matt. I have no comments.

SREEBNY: None from me, thanks.

SHELL: Okay, great. So, I'd like to...I'd like to ask for a motion to approve Option One of the budget

GISA EXEMPTION (9) (B)

Does anybody want to move that we approve budget Option One?

CROCKER: I so move.

ARMSTRONG: I have a procedural question.

SHELL: Yes, Matt?

ARMSTRONG: Is this the right time? So, Paul, how do I abstain from the vote? I don't want to say no to the vote.

SHELL: Matt, I'll ask for abstentions if you want.

ARMSTRONG: Okay. Okay.

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CROCKER: Another procedural question from Ryan. You know, I confuse easily. I thought, you know, the last time around we were told that it would take all five affirmatives, and now it appears it takes three?

SHELL: Ambassador. Ryan, that was only for if we wanted to do it notationally where that rule applies. If we want to have a voice meeting, then we need a quorum, and it would only take a majority of the quorum. The difference is the voice versus the notational vote.

CROCKER: Um, well...okay. I got it.

SHELL: Alright, so there's been a motion for Option One. Any seconds? Am I allowed to second it, Paul?

MEEHAN: I, Meehan seconds.

SHELL: Oh, Meehan seconds. Alright, great. So, the proposal on the table is Option One of the budget and to authorize the staff to go ahead and prepare and submit to the OMB Option One as we've discussed. I'm going to roll call to make this easier, since we only have five Board members. So, let me start with...and there's no...I'm going to turn it into alphabetical order. Let's see how good I can do that while I'm driving. Ambassador...I mean, Matt Armstrong?

ARMSTRONG: Abstain.

SHELL: Okay. Ryan Crocker?

CROCKER: Yes.

SHELL: Michael...Susan McCue?

MCCUE: Yes.

SHELL: Michael Meehan?

MEEHAN: Yes.

SHELL: And I vote yes as well. So I think, Paul, four yeses and one abstention. So, the motion is carried. I don't think we have to vote on Option Two now since it was a subset of Option One, and I think we have an affirmative vote. Is that right, Paul?

KOLLMER-DORSEY: That's correct.

SHELL: Alright. Well, thank you everybody for making yourselves available. Is there any other comment or question from the Board? Okay, hearing...hearing none, I'd like to move that we adjourn the meeting. Any seconds?

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CROCKER: I second.

ARMSTRONG: Second.

SHELL: Fantastic. Thank you everybody. Talk to you guys soon.