

**MINUTES
PUBLIC SESSION
BOARD OF DIRECTORS
CORPORATION FOR PUBLIC BROADCASTING
WASHINGTON, D.C.
Monday, December 9 – Tuesday, December 10, 2019**

Call to Order

Chair Ramer called to order the public session of the Board of Directors at 9:41 am Eastern Time, Monday, December 9, 2019. The following directors participated

Bruce M. Ramer, Chair;
Patty Cahill, Vice Chair
Ruby Calvert;
Judith Davenport;
Miriam Hellreich;
Robert Mandell;
Laura G. Ross; and
Liz Sembler.

The following officers and staff were also in attendance:

Patricia Harrison, President and Chief Executive Officer;
Michael Levy, Executive Vice President and Chief Operating Officer;
Teresa Safon, Senior Vice President, Chief of Staff and Corporate Secretary;
West Smithers, Senior Vice President and General Counsel;
Bill Tayman, Chief Financial Officer and Treasurer;
Stephanie Aaronson, Senior Vice President, Engagement
Anne Brachman, Senior Vice President, Government Affairs;
Ted Krichels, Senior Vice President, System Development and Media Strategy;
Kathy Merritt, Senior Vice President, Journalism and Radio;
Maja Mrkoci, Chief Content and Innovation Officer;
Deb Sanchez, Senior Vice President, Education and Children's Content Operations;
Michael Fragale, Vice President, Educational Programming and Services;
Erika Pully-Hayes, Vice President, Radio;
Pam Johnson, Executive Director, Ready To Learn; and
Sarah Kildall, Board Affairs Manager.

The following guests were also in attendance:

Nancy Barnes, Senior Vice President of News and Editorial Director, NPR;
Steve Bass, President and CEO, Oregon Public Broadcasting;
Sara Just, Executive Producer, PBS NewsHour;
Mollie Kabler, Executive Director, Alaska Public Broadcasting;
Peter Kennedy, Principal, PRM Consulting Group;
Nico Leone, General Manager, KCUR;
LaFontaine Oliver, President and General Manager, WYPR;
Dennis Wallace, Managing Partner, Meintel, Sgrignoli and Wallace; and
Andrew Weir, Senior Compensation Consultant, PRM Consulting Group.

Adoption of Agenda and Determination of Closed Status

Chair Ramer called for a motion to adopt the meeting agenda and close the meeting for agenda items 4 through 6, and 11. Upon motion duly made and seconded, the agenda was unanimously adopted as presented.

Invitation to Disclose Conflicts of Interest

In accordance with the CPB Code of Ethics for Directors, Chair Ramer invited directors to disclose possible conflicts of interests regarding the meeting agenda. There were none.

Approval of Minutes

Chair Ramer called for a motion to approve the minutes of the public session of September 23-24, 2019. Upon motion duly made and seconded, the minutes were unanimously approved as presented.

Chair's and Directors' Remarks

Chair Ramer thanked the Board for electing him to serve as chair of the Board alongside Vice Chair Cahill.

Chair Ramer reported on the presentation of CPB's Lifetime Achievement Award to former board member and senator David Pryor. Chair Ramer, Vice Chair Cahill, Ms. Harrison and the CPB executive team traveled to Arkansas for the event, which was attended by nearly 100 people. Chair Ramer relayed Mr. and Mrs. Pryor's thanks to the Board for the award.

Chair Ramer thanked Ms. Harrison and CPB staff for their prepared reports on the meeting's agenda topics.

Committee Chair Report – Audit and Finance

Audit and Finance Committee Chair Sembler reported that the Committee met telephonically on Thursday, November 21. Committee members Cahill and Ross participated as well as Chair Ramer, ex officio. The Committee received an update from Ms. Harrison on CPB's appropriation and received an update from Inspector General Kimberly Howell on the OIG's FY 2020 Annual Plan. In executive session, the Committee discussed CPB's audit engagement for FY 2020, which will also be discussed by the Board later this meeting.

President's Report to the Board

Ms. Harrison reported on CPB's achievements in 2019, including securing the federal appropriation; supporting groundbreaking children's educational content; increased support for local and national journalism; continued commitments to diversity at all levels; launching a rural storytelling initiative; refocusing American Graduate content and engagement toward jobs and careers; advancing public media's digital transformation; and addressing Community Service Grant (CSG) policies to ensure sustainability for radio and television stations, especially small and rural stations. Ms. Harrison thanked CPB senior management and the CPB Board for their dedication and commitment.

Ms. Harrison reported that the House and Senate provided \$20 million for interconnection and for Ready To Learn, the House provided \$30 million and the Senate provided level funding of \$27.741 million. The government is currently funded by a continuing resolution (CR) until December 20, 2019. The CR does not affect CPB's current FY 2020

funding of \$445 million because of the two-year advance appropriation. House and Senate appropriators have reached an agreement on the 302(b) allocations, which are the spending caps for each of the appropriation bills. CPB is monitoring the progress closely as interconnection and Ready To Learn funding is included in these considerations.

Ms. Harrison reported on CPB's work on the Hill, noting that CPB is committed to comprehensive and consistent communications with Members of Congress about public media's work. Ms. Harrison reported that she had positive meetings with Senate Minority Leader Chuck Schumer (D-NY) and Congressman Fred Upton (R-MI) and that she is scheduled to meet with Congressman Earl Blumenauer (D-OR) to discuss the Congressional Public Media Caucus.

Ms. Harrison congratulated CPB's Vice President of Radio, Erika Pulley-Hayes, who has accepted the position of general manager at WMFE in Orlando, Florida, effective January 2020.

Executive Session

At 9:55 am Eastern Time, Chair Ramer closed the meeting for an executive session.

[The minutes for these discussions are contained in the executive session record of December 9-10, 2019.]

The meeting adjourned for lunch at 12:15 pm Eastern Time.

Public Session

Public session resumed at 1:15 pm Eastern Time.

Update on Ready To Learn (deferred to Day Two).

Due to time constraints, this agenda item was deferred to Day Two of the meeting.

Update on Election 2020 Coverage

Chair Ramer welcomed three guest speakers: Nancy Barnes, senior vice president of news and editorial director for NPR; Sara Just, executive producer of PBS NewsHour; and Nico Leone, general manager of KCUR, in Kansas City, the lead station of Election 2020: Listening to America.

CPB Senior Vice President of Journalism and Radio Kathy Merritt reported on CPB's work to ensure robust public media coverage of the 2020 election. Ms. Merritt reported that one year ago, CPB convened a meeting of public media's editorial leaders to discuss election coverage, and several themes emerged: the need to listen carefully to a wide range of people from communities across the country; the importance of local stations and national producers working together; and the opportunity for public media to differentiate itself from other media outlets in how issues are covered. That and other discussions with public media journalists informed CPB's investment decisions, resulting in support for the *PBS NewsHour*, NPR, *FRONTLINE*, PRX's *The World*, Washington Week and the Listening to America initiative. CPB's goal is to strengthen public media newsrooms and help voters make informed choices.

Ms. Just reported on *PBS NewsHour's* coverage of the impeachment hearing and the work required to produce over seven hours of daily live coverage. Ms. Just reported on the upcoming Democratic debate moderated by Judy Woodruff, Amna Nawaz and Yamiche Alcindor from *PBS NewsHour*, and Politico Chief Political Correspondent Tim Alberta. PBS NewsHour is partnering with Politico to produce the debate and the

newsrooms are collaborating with each other as well. The debate will also air on NPR and simulcast on CNN.

Ms. Just noted that a key challenge in effective election coverage is covering issues of importance to voters. Collaborations with local stations and national partners are helping on several levels, providing live local coverage and more expansive audience reach through social media. Livestreaming has become a valuable tool, and PBS NewsHour has created digital tools for election night that can be used and branded by individual stations. Training is being made available for these new features. NPR correspondents appear weekly on live broadcasts of *PBS NewsHour*. PBS NewsHour West opened in Arizona, again with the help of CPB funding, elevating *PBS NewsHour's* presence on the West Coast.

Ms. Barnes thanked CPB for supporting NPR's election coverage work. Ms. Barnes reported on the challenges of covering a national election, addressing voter concerns, and ensuring that NPR coverage is comprehensive and balanced. NPR has hired more editors, reporters and digital personnel, and the election team's diversity reflects the changing diversity of America. Ms. Barnes reported that NPR's daily political podcast has become one of NPR's top 20 podcasts. Ms. Barnes reported on the important work of NPR's overnight staff to prepare for live coverage of impeachment hearings, afternoon briefings and fact-checking. CPB funds make possible special digital initiatives including an "issues tracker" that shows where candidates stand on key issues; a delegate tracker; live fact-checking and analysis; data visualization of where the vote and voters are; and polling. Other special projects include investigative reporting and national collaborations surrounding election security.

Mr. Leone reported on the initiative Election 2020: Listening to America, noting that the initiative began with the need to improve local coverage and bring fresh voices to national coverage. Following the 2016 presidential election, the conversation broadened among stations as to how local shows and voices could be showcased. With CPB funding, KCUR partnered with Minnesota Public Radio, WNYC, OPB, ideastream, WAMU and WUNC to complement national coverage with local voices and perspectives. The initiative's goals are to build public media journalism capacity; develop engagement practices that align with journalistic ethics and standards; and make the case that collaboration is key to the future of journalism. Mr. Leone reported that KCUR is assembling a central team in Kansas City and participating in local, regional and national collaborations to elevate local issues to the national level. In addition to public media collaborations, the BBC and USA Today are also interested in the Listening to America initiative. Mr. Leone thanked CPB, NPR and PBS NewsHour for the opportunity to do this work.

Chair Ramer asked Ms. Just why PBS NewsHour would want to simulcast the debate on CNN rather than just broadcast on PBS stations. Ms. Just reported that sharing production with CNN has helped to alleviate costs and also promotes the PBS NewsHour brand, as every shot during the debate will feature the PBS NewsHour and Politico logos. Ms. Hellreich asked if there was a plan to offset the public bias surrounding a "partnership" with CNN. Ms. Just reported that PBS NewsHour will push against that presumption. PBS is a trusted news network that is working with another news organization to make an important debate widely available on multiple platforms.

Ms. Sembler inquired about the role of PBS NewsHour Student Reporting Labs (SRL) in promoting media literacy, especially among high school seniors eligible to vote. Ms. Just

reported that SRL programs are in high schools and middle schools across the country, discussing specific issues with the students, and obtaining questions for potential use in the political debates. Ms. Just noted that SRL students add great value covering issues that concern today's youth. For example, the students' peer-to-peer interviews about vaping resulted in greater candor from the interview subjects and deeper insights into the issue. Ms. Sembler asked about journalistic standards for reporters on social media. Ms. Barnes reported on the challenges NPR has faced since the creation of social media. It is a tool for reaching audiences everywhere, but they need to constantly remind journalists that when sharing content, they cannot share their personal or political beliefs. Mr. Leone and Ms. Just concurred.

Chair Ramer thanked the presenters for their presentations and noted that tomorrow's meeting would begin 30 minutes early.

Update on Radio Community Service Grants

Chair Ramer welcomed Ms. Merritt, Ms. Pulley-Hayes and Radio CSG Policy Review panelists Steve Bass, president and CEO of Oregon Public Broadcasting (OPB); Mollie Kabler, executive director of Alaska Public Broadcasting, Inc.; and LaFontaine Oliver, president and general manager of WYPR.

Ms. Merritt reported that the Radio CSG review began over a year ago at the direction of the CPB Board. The Public Broadcasting Act requires CPB, in consultation with system representatives, to periodically evaluate the CSG program to ensure the most effective distribution of these funds. The last Radio CSG review was conducted in 2012 to 2013. CPB management worked together with the panel of system representatives throughout the review process. The review panel and CPB management both support the recommendations being presented to the Board.

Ms. Merritt provided an overview of the current Radio CSG program, as well as context for the policy recommendations. The Radio CSG program represents 21% of CPB's annual appropriation and makes up the largest single source of funding for public radio stations. CPB will distribute more than \$92 million in Radio CSG funds this year to 401 grantees operating more than 1,100 stations across the continental United States, Alaska, Hawaii, Puerto Rico and Guam.

Ms. Pulley-Hayes reported on the allocation of CPB funds as mandated by the Public Broadcasting Act. Unlike Television CSGs, Radio CSG funds have restricted and unrestricted portions. Unrestricted funds can be used for general operations of the station, as defined in the Radio CSG general provisions, and the restricted portion must be used for the production or acquisition of national programming. The restricted portion of a grantee's CSG is about 23% of the total grant amount.

Ms. Pulley-Hayes reported on the multiple parts of the Radio CSG – the base grant, which is received by every grantee (currently determined by levels); incentive grants, based on the amount of non-federal financial support (NFFS) generated by Level C and D grantees; and rural support grants, given to rural grantees to provide additional support. The four levels of the Radio CSG program are as follows: Level A for sole service (the only broadcast outlet, commercial or noncommercial, within a 50-mile radius); Level B for smaller grantees with at least two employees; Level C for larger grantees that qualify as rural; and Level D grantees for larger grantees that are not rural. All rural grantees receive a Rural Support Grant, and rural

grantees in Level C also receive a multiplier on their NFFS. Minority grantees receive a multiplier on their base grants as well as their incentive grant, if they qualify for one.

Messrs. Bass and Oliver and Ms. Kabler reported that the panel reached good conclusions on issues including continued support for rural stations. Ms. Kabler reported that the panel worked well collectively and noted that nine of the 12 Level A grantees are located in Alaska. Mr. Oliver reported as a first-time panel participant, he appreciated the level of information and detail the CPB staff provided and felt that the process was very inclusive.

Ms. Merritt reported on the issues examined by the panel during their review: incentive grant distribution, minimum NFFS, the calculation of indirect administrative support (IAS), categorization of radio grantees, the amount of base grants, minimum staffing requirements and the length of the probationary periods for grantees failing eligibility requirements. Many of the panel recommendations look at Coverage Area Population, which is a strong indicator of a grantee's market size and the best predictor of a station's potential to raise NFFS. Recommendation 1 addresses the reorganization of Radio CSG grantees into six coverage area population categories. Ms. Kabler reported that although Alaska stations are among some of the smallest stations, their per capita fundraising is some of the largest in the country. Ms. Pulley-Hayes reported on Recommendations 2 through 4, which suggest aligning the base grants, minimum NFFS and minimum staffing requirements with grantees' proposed coverage area population categories. The panel recommends that grantees with smaller coverage area populations receive a higher base grant, and grantees with larger coverage area populations receive lower base grants, in order to accommodate different market sizes and financial conditions. Recommendation 3 also adjusts the minimum NFFS requirement for stations according to the Coverage Area Population category and whether the grantees qualify as sole service, minority and/or rural grantees.

Ms. Sembler asked if there was any discussion for not having a base grant in the higher categories. Ms. Merritt reported that the Public Broadcasting Act mandates that all grantees receive a base grant. Ms. Calvert inquired about the minimum NFFS levels for stations with smaller coverage area populations. Ms. Merritt reported that the minimum for stations with the smallest coverage area population is lower than the current \$300,000 amount, and that the new levels could help retain some stations at risk of removal from the CSG program for not meeting NFFS minimums. Chair Ramer asked if cost of operations is considered. Ms. Merritt reported that operations costs were factored into the minimums, and Mr. Bass reported that it is difficult to measure as cost operation scenarios can be different depending on multiple factors. Discussion ensued about the importance of universal coverage and measurement of the rigor it takes to meet the NFFS minimum. Ms. Pulley-Hayes reported that there are about 25 grantees that do not currently meet their minimum NFFS.

Ms. Merritt reported on Recommendation 5, tiering NFFS to calculate incentive grants. This addresses the issue of incentive grant dollars going disproportionately to the largest grantees. Mr. Bass reported that OPB as a larger station would be affected, but he supports the tiering since it would increase equity of grant distribution. Ms. Merritt reiterated that the goal is not to hinder revenue streams of larger stations but rather to give more opportunities to smaller stations. Ms. Merritt noted that the panel recommends that all grantees receive incentive grants. With the current program, 66 grantees do not receive incentive grants. The last part of Recommendation 5 is to adjust the NFFS multiplier for minority grantees.

Ms. Pulley-Hayes reported on Recommendation 6, extending the timeline for removing grantees that have failed to meet eligibility requirements to four years, in order to allow them the opportunity to address their failures and try to stay in the CSG program. Recommendation 7, as with the TV CSG Review program, is to simplify the calculation of IAS from three different methods to one. Ms. Merritt reported that Recommendation 8 is to phase all of the recommendations in over a three-year period.

Ms. Merritt reported that the proposed recommendations would be implemented effective FY 2021. Chair Ramer thanked the CPB management and the members of the panel for their report.

Resolution

Following discussion, Chair Ramer called for a motion to approve CPB management's recommended changes to Radio CSG policy as presented in management's report to the Board and the enclosed resolution. Upon motion duly made and seconded, the resolution was unanimously approved as presented.

Chair Ramer called for a break at 3:41 pm Eastern Time.

Public session resumed at 3:56 pm Eastern Time.

Report on ATSC 3.0

Chair Ramer welcomed Mr. Krichels, CPB senior vice president of System Development and Media Strategy, and returning guest speaker Dennis Wallace, managing partner of Meintel, Sgrignoli and Wallace. Mr. Krichels reported that ATSC 3.0, known by consumers as "NextGen TV," is a new set of television transmission standards authorized by the FCC and the first major upgrade in television technology since the digital transition 10 years ago. NextGen TV merges the capabilities of over-the-air (OTA) broadcasting with the functionality of the internet. The new standards will help broadcasters meet consumer demand for watching television anywhere and anytime they choose.

Mr. Krichels reported that the transition to NextGen TV is voluntary. CPB is working to ensure that public television stations understand the opportunities NextGen TV affords to enhance public media's mission through technical advancements such as better OTA coverage, higher quality audio and video and potential mobile reception. CPB is also exploring the challenges for the system, including new equipment needs, required legal and technical expertise, and uncertainty about consumer adoption.

Mr. Krichels reported on CPB's work to support stations, including forming an ad hoc working group of PBS, APTS and CPB staff; a CPB-commissioned white paper, "NextGen TV Considerations for Public Media" that has been provided to the public media system; information sessions at PBS TechCon and other conferences; webinars for the system; and in-depth discussions with several stations currently in negotiations with commercial stations, offering advice and gathering information that can be shared with the system. Mr. Krichels reported on the white paper findings and noted the potential risks to stations, that are being navigated with the help of Mr. Wallace.

Mr. Wallace reported on the applications and features of NextGen TV and noted that it is the melding of IP-based technologies and traditional television – the integration of OTA and over-the-top (OTT) into a single platform. NextGen TV focuses on applications, or apps, allowing them to run on the television or device the same as they run on a smartphone. This

offers opportunities for public media to expand functions and features of content and services, such as interactivity. The more efficient audio and video encoding of NextGen TV requires less bandwidth to deliver content. It also provides stations with the opportunity to provide services or just bandwidth to other entities. Another possibility is for stations to work with public safety organizations to deliver services and data to first responders.

Mr. Wallace reported there is no mandated transition timeline or requirement, so stations are free to determine if and when they would begin NextGen TV transmission. Consumers will ultimately determine the success of NextGen TV, and the transition is complicated because stations must continue to provide ATSC 1 programming to their market during the transition. Mr. Wallace listed the 60 markets that are targeted for early launches of NextGen TV. Some station launches could be announced at the Consumer Electronics Show in January 2020.

Ms. Cahill asked about the transition timeline and if this is available on-the-go and in the car. Mr. Wallace reported that some stations may launch NextGen TV before 2020 and that the plan is to have it on mobile and there have been discussions with automakers. Mr. Wallace reported that the cost for a public media station depends on when they previously replaced their transmitter. Ms. Sembler asked how this is a one-to-many platform. Mr. Wallace reported that since NextGen TV features non-real-time content delivery that does not require an internet connection, in addition to high definition quality and other features, it is considered one-to-many.

There were no further questions, and Chair Ramer thanked Messrs. Krichels and Wallace for their report.

The meeting adjourned for the day.

Executive Session

Day Two of the board meeting resumed in executive session at 9:06 am Eastern Time.

[The minutes for these discussions are contained in the executive session record of December 9-10, 2019.]

Public Session

Public session resumed at 11:16 am Eastern Time, Tuesday, December 10, 2019.

Discuss 2020 Board Meeting Dates

Chair Ramer reported that the meeting materials note a location change for the April board meeting, as well as proposed dates for June, October and December meetings. Management proposed that the previously approved April 27-28 board meeting be relocated to Phoenix, Arizona, so that the Board could have an opportunity to visit the Walter Cronkite School of Journalism and Mass Communication and Arizona PBS, connected with CPB's Editorial Integrity and Leadership initiative. Discussion ensued, and it was also agreed upon to add a retreat to the 2020 schedule with the location "to be determined." Ms. Safon reviewed the 2020 dates and locations as follows:

- February 27 at 3:00 pm Eastern Time
- April 27-28 (Phoenix, Arizona)
- October 13-15 (Washington, D.C.)

Proposed dates for meetings in July and December will be circulated at a later date.

Resolution re Calendar Year 2020 Meeting Dates

Upon motion duly made, seconded, the below schedule was unanimously adopted.

Thursday, February 27 at 3:00 pm ET

Telephonic

Monday, April 27 – Tuesday, April 28

Phoenix, Arizona

Tuesday, October 13 – Thursday, October 15

Washington, D.C.

Affirmative Action Plan

Resolution

Chair Ramer called for a motion to approve the 2020 Affirmative Action Plan. Upon motion duly made and seconded, the 2020 Affirmative Action Plan was unanimously adopted.

Update on Ready To Learn

Ms. Sanchez reported on the history of the Ready To Learn (RTL) grant and the roles of CPB, PBS and the Department of Education (ED). Every five years the ED solicits for new ideas that align with department priorities in content, technological innovations and research. CPB and PBS work closely to develop a proposal for consideration. CPB acts as the fiscal agent for the annual funding and manages station work with community partners, while PBS focuses on new content for broadcast and digital platforms, data analytics and the communication plan. Ready To Learn funds are a vital source of support for public media children’s content.

Ms. Sanchez reviewed grant priorities over the past 15 years while media evolved from linear television to a multiplatform landscape. As the 2020 RTL grant cycle approaches, CPB is preparing to address ED’s priorities through public media’s capacity for innovation in children’s educational media.

Ms. Sanchez introduced CPB colleagues Michael Fragale, vice president of Education and Pam Johnson, executive director of RTL. Mr. Fragale reported on innovative RTL content starting with *Molly of Denali*, a PBS KIDS program that launched with a podcast before the television program. This unique launch strategy opened doors for a collaboration between YouTube and PBS Kids. Following the show’s premiere, the *Molly of Denali* website saw high engagement, meaning visitors stayed longer than average, and the corresponding game was the second most played game on PBS Kids. The program’s innovation and diversity both in front and behind the camera earned enhanced media coverage and recognition and *Molly of Denali* video, games and resources earned the top “High Quality” rating as part of the annual Government Performance and Results Act (GPRA) review conducted by the US Department of Education. This plays an important part of how the federal government measures the effectiveness of its funded programs, and how it communicates that effectiveness to Congress. Mr. Fragale reported that a new RTL-funded science series, *Elinor Wonders Why*, will premiere in September 2020.

Ms. Johnson reported on highlights from the latest RTL research study of *The Cat in the Hat Knows a Lot About That!* The purpose of the study was to determine whether providing families with *The Cat in the Hat Knows a Lot About That!* media helped children learn physical science and engineering concepts and practices. The study sample included over 450 preschool children in low-income households living in Boston, New York, Minneapolis, Phoenix, and San Francisco. The study looked at the effect of content on children’s learning by comparing two different groups of children – one group receiving *The Cat in the Hat Knows a Lot About That!*

media, and the other group using media other than PBS Kids science media. Researchers also analyzed children's iPad usage data and surveyed parents to assess levels of engagement both digitally and at home. Study results showed a clear positive impact on children's understanding of core physical science ideas, and access to PBS Kids content has a positive impact on children's interest and engagement in science. There is now proven evidence that public media's content has a positive impact on children, validating the RTL commitments to equity, wide-reach and school readiness. Lastly, this shows how RTL media has significant and scalable outcomes.

Ms. Sanchez reviewed the anticipated timeline for the next RTL grant cycle, noting that the next update to the Board will be at the February board meeting. CPB will request the Board's authorization to proceed with the grant application including the engagement of a research partner.

Chair Ramer thanked the presenters for their report.

Adjournment

By common consent, the meeting was adjourned at 12:01 pm Eastern Time.