

MINUTES
TELEPHONIC PUBLIC SESSION
BOARD OF DIRECTORS
CORPORATION FOR PUBLIC BROADCASTING
WASHINGTON, D.C.
Wednesday, December 2 – Thursday, December 3, 2020

Call to Order

Chair Ramer called to order the public session of the Board of Directors at 1:59 pm Eastern Time. The following directors participated virtually:

Bruce M. Ramer, Chair;
Laura G. Ross, Vice Chair;
Patty Cahill;
Ruby Calvert;
Judith Davenport;
Miriam Hellreich;
Robert Mandell; 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;
Kathy Merritt, Senior Vice President, Journalism and Radio;
Deb Sanchez, Senior Vice President, Education and Children's Content Operations;
Kathryn Washington, Senior Vice President, Television Content;
Stephen Wolfe, Chief Technology Officer and Senior Vice President, Information Technology;
Kimberly Howell, Inspector General;
Kate Arno, Vice President, CSG and Station Initiatives;
Deborah Carr, Vice President, Operations and Strategy;
Michael Fragale, Vice President, Education Strategy and Content;
Beth Jacobs, Vice President, Digital Strategy and Innovation;
Joy Lin, Vice President, Journalism;
Nick Stromann, Vice president and Controller;
Beth Walsh, Vice President, System Strategies;
Jacquie Gales Webb, Vice President, Radio; and
Sarah Kildall, Board Affairs Manager.

The following guests were also in attendance:

Peter Kennedy, Principal, PRM Consulting Group;
Andrew Weir, Notetaker, PRM Consulting Group;

Judy Woodruff, Chair, Executive Advisory Council of the American Archive of Public Broadcasting and Anchor and Managing Editor, PBS NewsHour (Day Two); and

Karl Pettijohn, Managing Director, Wealth Management at The Titanium Group and Wedbush Securities (Day Two).

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. Upon motion duly made and seconded, the agenda was adopted unanimously 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 sessions from October 13-14, 2020 and October 27, 2020. Upon motion duly made and seconded, the minutes were approved as presented.

Chair's and Directors' Remarks

Chair Ramer thanked the Board for electing him to serve as chair alongside Vice Chair Ross, and CPB management and staff for their dedication and hard work during this challenging time.

Resolutions of Appreciation for Patricia Cahill, Judith Davenport and Elizabeth Sembler

Chair Ramer expressed his gratitude on behalf of the Board to departing board members Cahill, Davenport and Sembler, whose terms of service conclude at the end of the year. Chair Ramer called for a motion to approve the resolutions of appreciation. Upon motion made by Amb. Mandell and seconded, the Board unanimously approved the resolutions.

President's Report

Ms. Harrison thanked the Audit and Finance and the Executive Compensation Committees for their consideration of CPB's performance and compensation program which would be discussed further at this board meeting.

Ms. Harrison reported on the Board and management's ability to act quickly and effectively and help public media support their communities nationwide.

Ms. Harrison reported that the House and Senate have resumed negotiations on an omnibus spending bill to conclude the FY 2021 appropriations cycle before the expiration of the continuing resolution (CR) on December 11. For CPB there is a \$50 million difference between the House and Senate Labor-H bills that will need to be resolved. The House Homeland Security Subcommittee provided \$20 million for CPB's public safety request while the Senate did not provide any funding. With a new Congress beginning in January, CPB is preparing to provide new members with educational information about public media.

Ms. Harrison acknowledged longtime CPB employee Nadine Feaster, who is retiring after 32 years at CPB. She also congratulated Kathryn Washington on her recent promotion to Senior Vice President of Television Programming.

Executive Session

At 2:25 pm 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 2-3, 2020.]

The meeting adjourned for the day in executive session.

Public Session

Public session resumed at 2:00 pm Eastern Time on Thursday, December 3, 2020.

Update on American Archive of Public Broadcasting

Chair Ramer welcomed Judy Woodruff, chair of the executive advisory committee of the American Archive of Public Broadcasting. Chair Ramer reported that the American Archive initiative, in which he has been involved since its inception, was born of the recognition that public media has made significant contributions to American culture and those contributions should be preserved. CPB Board and management worked closely for many years to create a permanent archive to safeguard significant moments in history captured on film or audio by public media and make them available to the public. This work eventually resulted in the selection of WGBH and the Library of Congress to house the archive and continue this important preservation work.

Ms. Woodruff thanked the Board for the opportunity to report on the work of the American Archive of Public Broadcasting. In its eighth year, the Archive has preserved almost 120,000 programs including content from over 130 organizations. Approximately 60,000 programs are currently available to the public, including 54 special collections on the Archive's website. Over the past year, the Archive has acquired 15 new collections for digitizing including Riverside Church recordings of remarks by Dr. Martin Luther King, Jr. Ms. Woodruff noted the value of the Archive as a reference resource, one that the *PBS NewsHour* team often uses while preparing for their daily broadcasts. There are still challenges when digitizing such large amounts of content, and the Archive remains committed to this preservation work.

Discussion ensued regarding the Archive's website and content accessibility, and its use as a public media education tool. Ms. Woodruff stated that after the meeting, she would provide additional information to the Board about rural and minority station involvement with the Archive as well as details about the latest content from the Riverside Church.

Chair Ramer thanked Ms. Woodruff for her report.

Ms. Woodruff exited the meeting at 2:30 pm Eastern Time.

Report on CPB's Investment Policy

Chair Ramer welcomed guest speaker Karl Pettijohn, Managing Director, Wealth Management at The Titanium Group and Wedbush Securities, and invited Audit and Finance Committee Chair Sembler to report on the Committee's discussions with Mr. Pettijohn.

Ms. Sembler reported that Mr. Pettijohn has served as a resource for the Committee's discussions about investment options and opportunities to generate greater investment returns. The Committee also asked CPB management to conduct research on investment policies of other not-for-profit organizations, analyze benefits obtained from previous policy changes and provide more information on CPB funds that are potentially available for longer term investments.

Ms. Sembler noted that CPB's current policy is built on the premise of a zero-tolerance for loss because CPB funds are federally appropriated. Any change made to the investment policy hinges on what level of risk CPB is willing to incur for the potential outcome of higher returns. Mr. Tayman has presented management's recommendations in the materials and Mr. Pettijohn presented his thoughts on investment options outside of CPB's current policy restrictions.

Mr. Tayman reported that CPB's current investment policy was originally established in 1994 when CPB was limited to investments in government securities. Since then, CPB has expanded investments to commercial paper, introduced corporate bonds and increased term limits from two years maturity to three years maturity. CPB has not lost any money following any of these policy changes. At present, CPB will struggle to make \$500,000 in investment returns within the current investment environment.

Mr. Pettijohn reported on his three recommendations for investing CPB's "rollover money." The first is investing in A2/P2 paper, a safe investment risk that could add 0.08 or 13 basis points to CPB's investment income. CPB's investment policy must be modified to allow this investment. Second, invest in Treasury Inflation-Protected Securities (TIPS), which includes investing in mutual funds, exchange-traded funds (ETF) and individual or newly issued securities. Third, consider taxable municipal bonds in the form of Build American Municipal Bonds (BABS), which tend to provide good yields even if they are downgraded. All three of these recommendations are opportunities to gain more yield.

Mr. Tayman reported that CPB has also been considering A2/P2 paper for the past two years and has provided information on this modification with previous annual investment performance reports.

Discussion ensued regarding the options presented, potential returns, and risk factors. Amb. Mandell and Ms. Sembler noted the importance of being mindful that public money is involved if and when adopting policy changes.

Chair Ramer and Ms. Sembler thanked Messrs. Tayman and Pettijohn for their reports.

Mr. Pettijohn exited the meeting at 3:03 pm Eastern Time.

Affirmative Action Plan

Mr. Tayman reported that diversity has always been a priority at CPB and has been a best practice since 1975. In FY 2020, CPB's workforce declined from 93 employees at the beginning of the year to 85 at the end of the year. Forty percent of CPB's new hires are minorities and 55 percent of promotions are minorities. Per federal guidelines, goals are established where CPB is under-represented by gender or race in each of four regional job market labor pools.

Mr. Tayman reported that minority representation increased in all four job groups during the year, reducing the need to set a goal for fiscal year 2021 to only the top job group. Even though goals may not be required in all job groups, CPB continues good faith efforts to recruit, employ and promote female and minority candidates for all vacant positions, and to utilize multiple avenues when posting open positions to attract a diverse candidate pool.

Resolution

Chair Ramer called for a motion to approve the 2021 Affirmative Action Plan. Upon motion duly made and seconded, the 2021 Affirmative Action Plan was unanimously adopted.

Future Agenda Items

Chair Ramer asked that future agenda items be sent to him, Vice Chair Ross and/or Ms. Safon.

Adjournment

The meeting adjourned at 3:14 pm Eastern Time.