December 13, 2011

The Honorable Patrick Leahy  
Chairman  
The Honorable Lindsey O. Graham  
Ranking Member  
Subcommittee on State, Foreign Operations, and Related Programs  
Committee on Appropriations  
United States Senate

The Honorable Kay Granger  
Chairwoman  
The Honorable Nita M. Lowey  
Ranking Member  
Subcommittee on State, Foreign Operations, and Related Programs  
Committee on Appropriations  
House of Representatives

Subject: Broadcasting Board of Governors Should Provide Additional Information to Congress Regarding Broadcasting to Cuba

For more than two decades, the U.S. government has broadcast news and information to Cuba via Radio Martí (and subsequently TV Martí) to promote freedom and democracy. Over this time period, Congress has provided more than $660 million to fund these efforts.1 Radio and TV Martí is produced by the Office of Cuba Broadcasting (OCB), a U.S. government entity overseen by the Broadcasting Board of Governors (BBG). In January 2009, we reported on the effectiveness of OCB broadcasts and found that due to limitations on audience research, decision makers lacked basic information to help assess the relative success or return on investment from each of OCB’s transmission methods.2 We also found that OCB’s broadcasts faced varying levels of jamming3 by the Cuban government.

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1The Broadcasting Board of Governors (BBG) is an independent federal agency responsible for overseeing all U.S. government-sponsored, nonmilitary, international broadcasting programs. For fiscal year 2012, BBG requested approximately $28.5 million for broadcasting to Cuba.


3Jamming refers to the deliberate use of radio noise or signals to prevent the listening to or viewing of broadcasts.
In the conference report accompanying the Consolidated Appropriations Act, 2010,\textsuperscript{4} the conferees directed BBG to submit a strategic plan for broadcasting to Cuba, and directed the plan contain information on six specific requirements. The conference report also directed GAO to conduct an assessment of that plan within 90 days of its issuance.\textsuperscript{5} BBG’s strategic plan was issued on August 26, 2011. To satisfy the congressional directive, this report examines the extent to which BBG’s strategic plan for broadcasting to Cuba includes the information required under the directive.

To conduct this work, two GAO analysts independently assessed BBG’s strategic plan against the six requirements in the congressional directive in the conference report and met to reconcile the differences. A supervisor then reviewed and approved the results of the analysis. To determine the extent to which the plan addressed a requirement, we considered whether the plan contained the information, but did not independently evaluate the quality of the information included in the plan. We determined a requirement to be “fully addressed” if the plan contained information related to all components of the requirement. We determined a requirement was “partially addressed” if BBG’s plan contained information related to at least one component of the requirement. In addition, we interviewed officials from BBG and OCB and reviewed previous GAO reports.

We conducted this performance audit from September 2011 through December 2011, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

**BBG’s Strategic Plan for Broadcasting to Cuba Partially Addresses Congressional Directive**

While BBG’s strategic plan for broadcasting to Cuba includes certain information called for in the congressional directive, such as an analysis of the current situation in Cuba, it does not include other information, such as the estimated audience size of Radio and TV Martí and the effectiveness of various transmission methods in increasing audience size. The conference report accompanying the Consolidation Appropriations Act, 2010, directed BBG to submit a strategic plan for broadcasting to Cuba, including information listed in table 1.

\textsuperscript{4}Pub. L. No. 111-117.

Table 1: Information to be Included in BBG’s Strategic Plan for Cuba Broadcasting

Information required by the congressional directive

<table>
<thead>
<tr>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>An analysis of the current situation in Cuba and an allocation of resources that is consistent with the relative priority</td>
</tr>
<tr>
<td>of broadcasting to Cuba as determined by the annual Language Service Review and other factors, including input from</td>
</tr>
<tr>
<td>the Secretary of State on the relative United States interest of broadcasting to Cuba.</td>
</tr>
<tr>
<td>The estimated size of the audiences in Cuba for Radio and TV Martí, and the sources and relative reliability of the</td>
</tr>
<tr>
<td>data on which such estimates are based.</td>
</tr>
<tr>
<td>The annual operating cost and total cost over the life of the contract of—any and all—types of TV transmission and</td>
</tr>
<tr>
<td>the effectiveness of each in increasing such audience size.</td>
</tr>
<tr>
<td>The principal obstacles of increasing such audience size.</td>
</tr>
<tr>
<td>An analysis of other options for disseminating news and information to Cuba including DVDs, the Internet, and cell</td>
</tr>
<tr>
<td>phones and other handheld electronic devices, and a report on the cost effectiveness of each.</td>
</tr>
<tr>
<td>An analysis of the program efficiencies and effectiveness that can be achieved through shared resources and cost</td>
</tr>
<tr>
<td>saving opportunities in radio and television production between Radio and TV Martí and the Voice of America.</td>
</tr>
</tbody>
</table>


In response to the directive, BBG produced a strategic plan for broadcasting to Cuba and submitted it to the House and Senate Committees on Appropriations in August 2011. We assessed BBG’s strategic plan and found it lacked key information. Of the six requirements in the directive, we found BBG’s strategic plan fully addressed one and partially addressed the remaining five. BBG cited challenges obtaining valid data on audience size in Cuba as the primary reason that several of the requirements could not be satisfied. The results of our analysis are included in table 2 below. (Our detailed evaluation of the information contained in BBG’s strategic plan can be found in enclosure 1. For each requirement, enclosure 1 contains our assessment of the information contained in BBG’s strategic plan, as well as our prior observations related to each of the six requirements.)
Table 2: GAO Assessment of BBG’s Strategic Plan for Broadcasting to Cuba

<table>
<thead>
<tr>
<th>Information required</th>
<th>BBG’s strategic plan</th>
<th>Assessment</th>
</tr>
</thead>
</table>
| Current situation in and priority of broadcasting to Cuba as determined by the Language Service Review and input from the Department of State | • Includes information on the current media situation in Cuba and input from the Department of State  
• Does not include information on the priority of broadcasting to Cuba as determined by the Language Service Review | ☐         |
| Estimated audience size of Radio and TV Marti                                       | • Includes audience size estimates from 2008, but does not include current audience size estimates, which the plan concludes are not feasible | ☚         |
| Annual operating and lifetime contract costs of TV transmission methods and the effectiveness of these methods in increasing audience size | • Includes annual operating costs  
• Does not include total lifetime contract costs for TV transmission methods  
• Does not analyze the effectiveness of TV transmission methods in increasing audience size | ☚         |
| Principal obstacles to increasing audience size for Radio and TV Marti               | • Includes information on the five principal challenges faced by BBG, including Cuban government jamming and lack of open access to news within Cuba | ☙         |
| Analysis and cost effectiveness of alternative transmission methods                 | • Includes discussion of alternative transmission methods such as the Internet and DVDs  
• Does not include the cost effectiveness of the alternative transmission methods | ☚         |
| Analysis of program efficiencies, effectiveness, and cost saving opportunities that can be achieved through shared resources between Radio and TV Marti and Voice of America | • Includes a discussion of the types of efficiencies gained by sharing resources  
• Includes a discussion of program effectiveness gained by sharing resources  
• Does not include an analysis of the cost saving opportunities of such sharing | ☚         |

Source: GAO analysis of BBG’s strategic plan.

During the course of our audit, BBG provided us some of the required information it did not include in its strategic plan. For instance, BBG provided us with information on the priority of broadcasting to Cuba as determined by the Language Service Review. According to the 2009 Language Service Review, the development of a unified broadcasting plan for Latin America, including coordination between OCB and the Voice of America, is an area of strategic importance for BBG. BBG also provided us the lifetime costs of all contracts for TV Marti. We have included this information in our evaluation of the requirements found in enclosure 1.
Lack of Valid Data on Audience Size Prevented BBG from Addressing Several Requirements

According to BBG officials, data necessary to fully address multiple requirements are not currently available. For instance, several of the requirements, such as the audience size of Radio and TV Martí and the cost effectiveness of various transmission methods, require BBG to have comprehensive information about its audience in Cuba, such as national audience size estimates. While BBG’s strategic plan includes results of a national survey to estimate the audience size of Radio and TV Martí in 2008, it does not include current audience size estimates because it concludes that such estimates are not feasible. From 2003 to 2008, BBG conducted telephone surveys of households in Cuba to estimate audience size. The results of these surveys estimated the weekly reach of Radio and TV Martí at less than 2 percent of Cuban adults in households with landline phones.\(^6\) According to BBG officials, the 2008 survey results showed a sharp drop in the reach of all foreign broadcasters compared to previous years’ surveys, which they attributed to respondents’ fear of acknowledging their use of foreign media. BBG officials stated this concern raises questions regarding the validity of the audience size estimates of the 2008 survey. As a result, since 2008, BBG has not conducted telephone surveys of Cubans to estimate the audience size of Radio and TV Martí.\(^7\) Consequently, BBG officials told us they cannot obtain valid data needed to address portions of the congressional directive related to audience size and cost effectiveness estimates. (For information on BBG’s efforts to obtain data on Radio and TV Martí since 2008 see enclosure 1.)

BBG Has Not Determined the Cost Savings of Resource Sharing Initiatives between OCB and Voice of America

BBG’s strategic plan contains a discussion of the efficiencies and effectiveness of sharing resources between OCB and Voice of America, but does not include the required analysis to identify the cost saving opportunities of doing so.\(^8\) BBG’s strategic plan proposes that some Voice of America Latin America Division personnel should be moved from Washington, D.C., where they are currently located, to OCB offices in Miami, Florida, where Radio and TV Martí are produced. The strategic plan states sharing studio space and reporters in Miami would generate efficiencies; however, it does not estimate the amount of money that could be saved. Moreover, the strategic plan states that BBG

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\(^6\) According to BBG, at the time the 2008 survey was conducted approximately 20 percent of Cuban adults lived in households with published landline telephone numbers.

\(^7\) In the absence of telephone surveys to estimate national audience size of Radio and TV Martí in Cuba, BBG officials told us they have (1) conducted phone surveys of Cuban households to measure the signal reception of TV Martí broadcasts, and (2) conducted surveys and focus groups among recently arrived Cuban immigrants to gather feedback on Radio and TV Martí. However, according to BBG, while such immigrant research offers insights into target audiences’ media preferences, they are not appropriate for estimating audience size since survey respondents are not drawn from a probability sample of the adult population of Cuba.

\(^8\) BBG broadcasts to Cuba via the Office of Cuba Broadcasting and Voice of America. Voice of America also broadcasts to Latin America.
has not estimated the one-time costs associated with relocating Voice of America personnel to Miami. BBG officials told us this information was not included in the strategic plan because BBG has not yet produced a cost analysis of sharing resources between OCB and Voice of America. BBG officials noted BBG is considering completing such an analysis as a part of implementing the agency’s new strategic plan, which emphasizes agencywide integration. Without such an estimate, BBG and Congress may face challenges in assessing the levels of funding needed to effectively implement a strategy of shared resources between OCB and Voice of America.

Conclusions

For more than two decades the United States has broadcast news and information to Cuba to promote democracy on the island. To assist Congress in its oversight of these activities, congressional conferees directed BBG to provide detailed information in its strategic plan. However, the plan submitted by BBG does not include some key information. While BBG faces challenges obtaining some of this information, such as estimates of audience size, BBG officials can develop and provide some information that could further assist Congress. In particular, BBG could provide an analysis of the cost savings opportunities of sharing resources between Radio and TV Martí and Voice of America’s Latin America Division, such as estimating the costs associated with moving staff from Washington, D.C., to Miami, Florida, and the savings associated with sharing production studios. Congress has expressed its desire to receive this type of information, which could assist in more effectively allocating resources for U.S. international broadcasting activities.

Recommendation for Executive Action

To ensure that Congress has information necessary to exercise its oversight responsibilities, we recommend that the Broadcasting Board of Governors report to Congress an analysis of the estimated costs and cost savings of sharing resources between the Office of Cuba Broadcasting and Voice of America’s Latin America Division.

Agency Comments and Our Evaluation

We provided a draft of this report to BBG for review. BBG provided us written comments, which are included in enclosure 2. In its written comments, BBG concurred with our recommendation that it provide an analysis to Congress of the estimated costs and costs savings of sharing resources between the Office of Cuba Broadcasting and Voice of America’s Latin America Division. BBG noted it will work to develop this information as part of its strategic planning process. BBG also provided technical comments, which we incorporated as appropriate.
We are sending copies of this report to the appropriate congressional committees and BBG. In addition, the report is available at no charge on the GAO website at http://www.gao.gov.

If you or your staff have any questions about this report, please contact me at 202-512-3149 or gootnickd@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Jason Bair, Assistant Director; Debbie Chung; Martin De Alteris; Ernie Jackson; Biza Repko; and Kira Self made key contributions to this report.

David Gootnick
Director, International Affairs and Trade
Assessments of the Six Requirements of BBG’s Strategic Plan

The following pages assess the six requirements of BBG’s strategic plan for broadcasting to Cuba.
Cuba Broadcasting Strategy

Current Situation in and Priority of Broadcasting to Cuba

GAO Assessment

BBG’s strategic plan partially addresses the current situation in and priority of broadcasting to Cuba. While it contains information on the current situation in Cuba and input from the Department of State, the plan does not contain information on the relative priority of broadcasting to Cuba as determined by the annual LSR.

BBG’s strategic plan includes information about the current situation in Cuba. The plan notes that the media environment in Cuba is tightly controlled by the government. It cites, for example, prohibitions in the Cuban constitution against private media ownership and strict laws regulating journalists on the island. The plan also contains a list of television and radio channels available to Cubans on the island with content controlled by the Cuban government.

BBG’s strategic plan includes information from the Secretary of State and Assistant Secretary of State for Western Hemisphere Affairs attesting to the importance of democracy in the Americas and free flow of information to Cuba, respectively. (See the following figure.) Moreover, officials from BBG told us that a number of Department of State officials reviewed BBG’s plan.

Political and Media Environment in Cuba

While BBG officials told us that Cuba broadcasting is a priority, BBG’s strategic plan does not contain information on the relative priority of broadcasting to Cuba as determined by the annual LSR. However, during the course of our audit, BBG provided us information on priorities in the LSR. The LSR is designed, in part, to evaluate the need for strategically allocating funds on the basis of priority and impact. The 2009 LSR states that an area of strategic importance is the development of a unified broadcasting plan for Latin America, including coordination between OCB and Voice of America.
Cuba Broadcasting Strategy

Estimated Size of Audiences for Radio and TV Martí and the Reliability of Such Estimates

GAO Assessment

BBG’s strategic plan partially addresses the estimated size of audiences for Radio and TV Martí and the sources and reliability of such estimates. The plan states that it uses multiple sources of data on media use in Cuba, but that valid national estimates of audience size for U.S. broadcasting to Cuba are not currently feasible. From 2003 to 2008, BBG conducted telephone surveys of Cuban households to estimate audience size. The results of these surveys estimated the weekly audience of Radio and TV Martí at less than 2 percent of Cuban adults in households with landline phones. According to BBG officials, the 2008 survey results showed a sharp drop in the reach of all foreign broadcasters compared to previous years’ surveys, which they attributed to respondents’ fear of acknowledging their use of foreign media. BBG officials stated this concern raises questions regarding the validity of the audience size estimates of the 2008 surveys. As a result, BBG has not conducted telephone surveys of Cuban households to estimate the audience size of Radio and TV Martí since 2008.

Alternatively, BBG has conducted surveys of Cubans who recently arrived in the United States in order to gather feedback on their media preferences. In 2010, 661 immigrants were interviewed within 6 months of their departure from Cuba. According to these surveys, 40 percent of respondents reported hearing Radio Martí and 6 percent of respondents reported seeing TV Martí at least once a week on average during their last year on the island. However, according to BBG, while these surveys offer insights into respondents’ media preferences and the effectiveness of various ways of delivering content from Radio and TV Martí, they are not appropriate for estimating national audience size since survey respondents are not drawn from a probability sample of the adult population of Cuba. Moreover, according to BBG officials, rates of viewing and listening may be higher among Cubans from circumstances that led them to emigrate to the United States than among other Cubans. According to BBG, it is presently unable to obtain valid estimates of audience size in Cuba. (See the following figure.)

Data Sources and Relative Reliability

<table>
<thead>
<tr>
<th>Survey method</th>
<th>Limitations reported by BBG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone survey of Cuban households</td>
<td>1) Potential respondent sensitivities.</td>
</tr>
<tr>
<td></td>
<td>2) Surveys reach only those with land-line phones, estimated at 20 percent of Cuban households.</td>
</tr>
<tr>
<td></td>
<td>3) Last conducted in 2008.</td>
</tr>
<tr>
<td>Surveys of recently arrived Cuban immigrants</td>
<td>1) Indicator of media preferences, not audience size.</td>
</tr>
<tr>
<td></td>
<td>2) Higher viewing and listening rates are expected among recent arrivals.</td>
</tr>
</tbody>
</table>

Source: GAO analysis; Air Explosion.
Enclosure 1: Assessments of the Six Requirements of BBG’s Strategic Plan

December 2011

Cuba Broadcasting Strategy

Operating Costs and Effectiveness of Television Transmissions in Increasing Audience Size

GAO Assessment

BBG’s strategic plan partially addresses the annual operating and lifetime contract cost for all television transmissions and the effectiveness of each in increasing audience size. The plan includes the annual operating cost for each transmission method but not the lifetime cost for each related contract. The plan also does not address the effectiveness of each transmission method in increasing audience size.

TV Martí uses three types of transmission methods: (1) an over-the-air broadcast via an airplane (AeroMartí); (2) satellites operated by HISPASAT, DirecTV, and New Skies; and (3) the Internet. Aeromartí, which broadcasts 12.5 hours per week, is the most expensive transmission method, costing about $2.5 million in fiscal year 2011. During our audit, BBG provided the lifetime contract cost of each television transmission method, which we have included in the following table, along with the method’s annual operating cost.

<table>
<thead>
<tr>
<th>Transmission method</th>
<th>Date established</th>
<th>Annual operating cost</th>
<th>Lifetime contract cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>AeroMartí</td>
<td>2006</td>
<td>$2,553,808</td>
<td>$28,797,065</td>
</tr>
<tr>
<td>DirecTV satellite</td>
<td>2006</td>
<td>$481,271</td>
<td>$2,101,150</td>
</tr>
<tr>
<td>HISPASAT satellite</td>
<td>2003</td>
<td>$366,550</td>
<td>$3,596,308</td>
</tr>
<tr>
<td>New Skies satellite</td>
<td>1990</td>
<td>$160,650</td>
<td>$8,888,997</td>
</tr>
</tbody>
</table>

Source: GAO analysis of BBG data.

According to BBG’s plan, the effectiveness of television transmissions to Cuba can be measured by formal audience surveys. However, due to concerns regarding the validity of audience size estimates from such surveys, BBG has not conducted a phone survey to estimate audience size in Cuba since 2008. The plan notes that BBG is using alternative means of obtaining information on media preferences by surveying recent arrivals from Cuba. These recent arrivals most often reported viewing TV Martí via DirecTV and DVDs; however, these results cannot be used to estimate audience size. BBG has also collected information on the signal reception of TV Martí, which is an issue due to government jamming. A 2010 BBG phone survey of Cuban households in Aeromartí’s broadcast area reported that about 5 percent of households were likely or very likely to be able to see TV Martí via AeroMartí. However, this survey also does not estimate audience size. Currently, BBG does not have the data necessary to determine the cost effectiveness of each transmission method in increasing audience size.
Cuba Broadcasting Strategy

Principal Obstacles to Increasing the Audience Size of Radio and TV Martí

GAO Assessment

BBG’s strategic plan addresses the principal obstacles to increasing the audience size of Radio and TV Martí. The plan contains a section citing five principal challenges BBG faces in broadcasting to Cuba, including:

- establishment of means of transmission to consistently “break through” Cuban government jamming, censorship, and regulation;
- lack of open access to news sources within Cuba;
- harassment of independent journalists by the Cuban government;
- limited access to the Internet within Cuba; and
- inability to conduct valid audience research through on-the-ground surveys in Cuba to determine BBG program impact.

BBG officials cited jamming by the Cuban government as the top obstacle they face. Jamming refers to the deliberate use of radio noise or signals to prevent the listening to or viewing of broadcasts. (See the following figure for examples of TV Martí despite Cuban jamming efforts.)

Photographs of Reported Reception of TV Martí in Cuba

Note: These photographs, provided by an organization that reports on Cuban affairs, reportedly depict evidence of Cubans' ability to watch TV Martí despite Cuban jamming efforts. The TV Martí logo can be seen in the bottom right-hand corner.

In an effort to overcome jamming, OCB broadcasts Radio and TV Martí through multiple transmission delivery methods. OCB broadcasts radio through shortwave, AM, satellite television, and the Internet. OCB broadcasts TV Martí through satellite television, an over-the-air transmission via an airplane (AeroMartí), and the Internet. Additionally, BBG and OCB officials told us that they are testing the broadcasting of radio via AeroMartí through the use of FM radio transmitters. OCB also provides news and information to Cuba via alternative media, such as DVDs and SMS text messaging.
Cuba Broadcasting Strategy

Other Options for Disseminating News and Information to Cuba and the Cost Effectiveness of Each

GAO Assessment

BBG’s strategic plan partially addresses other options for disseminating news and information to Cuba and the cost effectiveness of each. While the BBG plan discusses alternative methods OCB uses to disseminate news and information to Cuba, it does not include a report on the cost effectiveness of each of these options.

BBG’s plan discusses three alternative transmission methods OCB uses to disseminate news and information to Cuba including the Internet, mobile phones, and file sharing. See the following figure for more information on each transmission method.

### Alternative Transmission Methods

<table>
<thead>
<tr>
<th>Alternative transmission methods</th>
<th>OCB activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet</td>
<td>OCB maintains a website that provides late breaking news and information related to Cuba, live streaming of Radio and TV Martí programming with on-demand archives, and links to social networking sites. OCB also provides information using social networking sites, such as Facebook and Twitter, and has established a YouTube channel which has features stories on activities by the blogging community in Cuba. BBG is also working to overcome government jamming to provide information through e-mail and instant messaging.</td>
</tr>
<tr>
<td>Mobile phone</td>
<td>OCB uses text messaging on mobile phone to disseminate news and information to Cuba. According to BBG’s plan, text messaging is one of the most viable solutions for communicating with Cuba because technology found within mobile phones make texts difficult for the Cuban government to filter.</td>
</tr>
<tr>
<td>File sharing</td>
<td>OCB shares news and information with Cubans phone-to-phone and computer-to-computer using USB flash drives, DVD disks, and the Bluetooth feature found on most mobile phones. According to BBG’s plan, file sharing in Cuba is driven mostly by youth who are actively sharing music and American movies.</td>
</tr>
</tbody>
</table>

Source: BBG, Art Explosion.

According to BBG officials, BBG cannot provide estimates on audience size for each method given its inability to conduct reliable surveys in Cuba. BBG does conduct surveys and focus groups among recently arrived immigrants from Cuba, which provide BBG information on the use of alternative transmission methods. The means of viewing most often reported in 2010 surveys by those immigrants who had seen TV Martí in Cuba were DirecTV and DVDs. However, neither these surveys nor focus groups can be used to estimate the audience size for each method, because the respondents are not drawn from probability samples of the adult population in Cuba. Since BBG does not have valid audience size estimates for each of the alternative methods it uses to disseminate information, it is unable to report on their cost effectiveness.
Cuba Broadcasting Strategy

Efficiencies, Effectiveness, and Cost Savings that Can Be Achieved by Resource Sharing between the Office of Cuba Broadcasting and Voice of America

GAO Assessment

BBG’s strategic plan partially addresses program efficiencies, effectiveness, and cost savings that can be achieved by sharing resources between the Office of Cuba Broadcasting (OCB) and Voice of America (VOA). While BBG’s strategic plan identifies opportunities for OCB and VOA to share resources to maximize their programs’ efficiency and effectiveness, it does not include an analysis showing the potential cost savings associated with each proposed initiative.

The strategic plan proposes restructuring VOA’s Latin America Division and OCB to produce programming for Cuban and other audiences in Latin America. To do so, BBG plans to relocate portions of VOA’s Latin America Division from its current headquarters in Washington, D.C., to OCB headquarters in Miami, Florida. The plan notes that OCB’s facility in Miami would serve as the base of BBG operations hemisphere wide. According to an OCB official, the OCB facility in Miami has office and studio space available for use by relocated VOA personnel. (See the following figure.)

Restructuring of VOA’s Latin America Division and OCB

According to BBG’s plan, once relocated, VOA’s Latin America Division and OCB will combine regional newsrooms, share field resources (such as local reporters), integrate production units, and streamline network management. Together, OCB and VOA’s Latin America Division have about 150 professional staff. VOA’s Latin America Division will maintain a small Washington, D.C., office, which will continue to report on U.S. politics.

While this restructuring may result in cost savings, the strategic plan does not include cost savings estimates. BBG officials told us that BBG has not conducted an analysis to determine potential cost savings associated with this restructuring. Moreover, the strategic plan notes that BBG has yet to determine the extent of the one-time costs associated with this restructuring.
Comments from the Broadcasting Board of Governors

December 5, 2011

Mr. David Gootnick
Director
International Affairs & Trade
U.S. Government Accountability Office

Dear Mr. Gootnick:

The Broadcasting Board of Governors (BBG) appreciates the opportunity to comment on the draft report of the Government Accountability Office, “Broadcasting Board of Governors Should Provide Additional Information to Congress Regarding Broadcasting in Cuba,” which assesses the BBG’s multi-year strategy for broadcasting to Cuba. We accept the report’s recommendation that the BBG report on the estimated costs and cost savings of sharing resources between the Office of Cuba Broadcasting (OCB) and Voice of America’s (VOA) Latin America Division. During the upcoming phases of our overall strategic planning process, the BBG will work to finalize the concept of operations for the shared resources model and will assemble and analyze the information related to this element of the strategic plan.

The BBG’s unprecedented year-long strategic review, in which it engaged internal and external stakeholders and public and private experts, provided a wealth of information to inform the strategic process. The BBG’s plan for Cuba broadcasting proposes a strategic realignment of its Spanish-language programming to Latin America and the Caribbean, offering examples of program efficiencies to be achieved through shared resources and cost saving opportunities. As GAO noted, these opportunities include sharing of office space and production studios, sharing stringer resources in Latin America, and the opportunity to utilize programming produced by OCB and VOA to best advantage in Cuba as well as the rest of the hemisphere. The agency is eager to work on implementation strategies for the broader plan, including estimated cost savings associated with it.

As GAO noted in its report, the inability to obtain valid, comprehensive information about the Marti’s audience in Cuba eliminates a key baseline for calculating other measures of effectiveness as requested by the Congress.

Throughout the history of international broadcasting, the U.S. government has attempted to gain reliable information about its audiences and the quality of its broadcast signals in the midst of jamming. In its early years, such information was attained through anecdotal reports and interviews of travelers to or near broadcast target areas. More recently, the BBG has developed a
comprehensive research program, conducted in accordance with modern research standards in many parts of the world. Unfortunately, as in North Korea and Iran, BBG cannot freely operate in Cuba and thus cannot obtain a reliable national estimate of listeners and viewers to Radio and TV Marti – baseline information that is required to provide the Congress the specific cost-benefit information it requested regarding each transmission method.

Annual surveys of hundreds of Cubans recently arrived to South Florida, along with expanded qualitative studies (focus groups, monitoring panels) to explore media use habits and experiences, inform programming decisions and delivery strategies. These surveys also suggest use of Radio and TV Marti among the Cuban population at levels higher than appeared in the 2008 phone survey. However, while these research efforts continue to provide valuable information to help guide BBG planning and programming to Cuba, the information is not of the quality or accuracy required to support/project credible effectiveness estimates.

We thank you for the opportunity to comment on the GAO's draft report and its recommendation.

Sincerely,

[Signature]

Walter Isaacson
Chairman
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