



Resolution of the Board of Directors, #OETA-1-8-2019

Oklahoma Educational Television Authority (OETA)

PRESENT & VOTING IN FAVOR OF PASSAGE: *Terri Cornett, James Gallogly, Burns Hargis, Joy Hofmeister, Cody Inman, Glen Johnson, Garrett King, Suzanne Lair, and Clarke Stroud*

WHEREAS, the Oklahoma Educational Television Authority Foundation, Inc. (“Foundation”), filed a lawsuit against the Oklahoma Educational Television Authority (“OETA”), styled as *Oklahoma Educational Television Authority Foundation, Inc. v. Oklahoma Educational Television Authority*, Case Number CJ-2018-6717, on 6-December-2018, in an apparent attempt to damage OETA’s reputation among its donors and in the community and assert control over the operations of OETA;

WHEREAS, 1982 Okla. Sess. Laws 607, SB 454, states:

It is the intent of the Oklahoma Legislature that the Oklahoma Educational Television Authority seek ways to encourage contributions by private individuals, companies, foundations, corporations and others in the private and public sectors by cooperating with a public, nonprofit foundation. Such foundation would operate for the exclusive purpose of receiving, investing and expending privately donated nonstate appropriated funds for educational and eleemosynary purposes related to the support, promotion, development and growth of educational and public broadcasting in Oklahoma. The Oklahoma Educational Television Authority shall make a full report annually on the activities of the nonprofit foundation to the Governor and the Legislature.

WHEREAS, the 3-February-1983 Articles of Incorporation of the Foundation provide in part, that the Foundation exists:

...to receive, invest and expend privately donated non-state appropriated funds for educational purposes related to the support, promotion, development and growth of educational and public broadcasting in Oklahoma. **This corporation shall direct all of its efforts to the support of the Oklahoma Educational Television Authority**, a state agency created by the Oklahoma Legislature, hereinafter referred to as OETA. In this regard, [the Foundation] shall create a fund to be used for any program, project or enterprise and **undertaken in the interest of OETA**, to fund, support and maintain the operating of such other projects and programs the corporation may from time to time deem advisable and to provide

financial support to all personnel who may be required in the operation and administration thereof, and to foster and promote educational and cultural interests in the State of Oklahoma. (emphasis added);

WHEREAS, all assets, funds and property held by the Foundation are held for the exclusive use and benefit of OETA;

WHEREAS, the Foundation has not made financial disclosures to OETA irrespective of OETA's request of such disclosures and is improperly withholding information thereby preventing OETA from fulfilling its obligation to (1) report to the Legislature and Governor; (2) report to the Corporation for Public Broadcasting (CPB); and (3) comply with Federal Corporation Commission (FCC) rules and procedures thereby potentially placing OETA's broadcasting licenses in jeopardy;

WHEREAS, the Foundation is withholding funds and placing restrictions upon said funds not imposed by the donors of said funds;

WHEREAS, OETA entered into an Agreement with the Foundation on the 26th day of February, 1992 ("Agreement");

WHEREAS, Section 12 of the Agreement provides the option to terminate said Agreement upon 60 days' written notice;

WHEREAS, OETA has determined that the relationship with the Foundation has become untenable and termination of the Agreement is the only viable option;

WHEREAS, OETA has determined that it is in the best interest of OETA, the State of Oklahoma, the citizens of Oklahoma and OETA's donors that the Agreement be terminated at the earliest possible date;

WHEREAS, OETA desires to give written notice to the Foundation that said Agreement is terminated; and

WHEREAS, by reason of the actions taken by the Foundation, OETA has had to retain and engage legal counsel and entered into an Attorney-Client Contract approved by the Oklahoma Attorney General on 29-November-2018.

THEREFORE, IT IS RESOLVED BY THE BOARD OF DIRECTORS OF THE OKLAHOMA EDUCATIONAL TELEVISION AUTHORITY (OETA):

1. THAT, it is hereby declared to be the intent of the Board of Directors of OETA to terminate the Agreement between OETA and the Foundation dated 26-February-1992.
2. THAT the Agreement is hereby terminated, in accordance with Section 12 of the Agreement, 60 days from notice to the Foundation or sooner if permitted by law.
3. THAT, the Chair of the Board of Directors of OETA is hereby authorized and directed to give written notice promptly to the Foundation of the intent to terminate the Agreement.

4. THAT, it is found and determined that the Foundation is to immediately relinquish all assets, funds, information, and property being held for the benefit of OETA, as directed by OETA.
5. THAT, the Chair of the Board of Directors for OETA shall have the full and necessary authority to carry out the terms of this Resolution and is hereby authorized to execute or sign any documentation or perform such acts necessary to effectuate this Resolution, including but not limited to: protection of OETA's name, images, logo and likeness; enforcement of the 14-December-2018 notice to Foundation to vacate the premises at 7403 North Kelly Avenue, Oklahoma City, Oklahoma; and transfer of OETA assets, funds, information, and property held by OETA Foundation for the benefit of OETA, as directed by OETA.
6. THAT, the Attorney-Client Contract approved by the Oklahoma Attorney General on 29-November-2018 is hereby adopted and ratified.
7. THAT, the Chair of the Board of Directors for OETA shall have the full and necessary authority to facilitate OETA's ability to engage, for both near and long-term cooperation, with a new charitable foundation as authorized under 1982 Okla. Sess. Laws 607, SB 454 and to report on actions taken relative to this provision to the Board during its next regularly scheduled meeting on 26-February-2019.

On behalf of the Board of Directors of the Oklahoma Educational Television Authority (OETA):



Garrett T. King, M. Ed.

Chair

8-January-2019