



Corporation
for Public
Broadcasting

SEMIANNUAL REPORT

OFFICE OF THE INSPECTOR GENERAL AND AUDIT RESOLUTION ACTIVITIES

APRIL 1, 2021 THROUGH SEPTEMBER 30, 2021

Foreword

Congress created the Corporation for Public Broadcasting (CPB) in 1967 to promote public media and help keep it free from government interference. CPB is a private non-profit corporation that is governed by a Board of Directors (Board) appointed by the President and confirmed by the Senate. CPB funds 1,534 public media stations, as well as research, technology, and program development for public radio, television, and related online services. For fiscal year 2021, CPB received \$445 million for its general appropriation, \$20 million for a public media interconnection appropriation from Congress, \$24.3 million in Ready to Learn funds as part of a five-year grant from the U.S. Department of Education, and \$175 million in American Rescue Plan Act of 2021 funding.

Congress created CPB's Office of the Inspector General (OIG) in 1988 to promote the economy, efficiency, effectiveness, and integrity of CPB initiatives and operations. As an independent component of CPB, the OIG reports to the CPB Board through its Audit and Finance Committee.

Congress requires that the Inspector General and the head of CPB report semiannually about OIG operations and activities and about CPB audit resolution results. Because CPB is a small organization, we created this joint report. In the first section, we report on the OIG's efforts and in the second, we present CPB's audit resolution activities.





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I. OFFICE OF THE INSPECTOR GENERAL

Message from the Inspector General

September 30, 2021

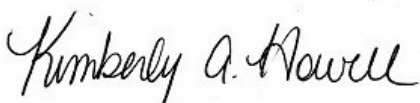
I am pleased to submit this Semiannual Report to Congress detailing the Office of the Inspector General's activities during the period April 1, 2021 through September 30, 2021. The work highlighted in this report is the product of our objective to promote economy, efficiency, and effectiveness in public media through our oversight of the Corporation for Public Broadcasting's important mission.

During this reporting period and into the next period, our office will continue to work with the unique landscape resulting from the COVID-19 pandemic. The pandemic has caused all of us to make major adjustments to both our work and daily lives while striving to maintain safety and health. Our office, like many offices, continues to work remotely and has been innovative in maintaining connections with colleagues, auditees, and the public. I am extremely proud of the adaptability and resilience of my staff and how they have dealt with the obstacles related to conducting work in this extremely challenging environment. Our office will continue to innovate and use technology to develop new and creative ways to expand our oversight of the CPB.

During this reporting period, we issued four final audit reports. All four of the audits were of Community Service Grants (CSG) and other grants awarded to public television and radio stations. We audited \$8,315,539 in CPB grants and identified questioned costs of \$24,300. We examined \$51,240,378 in reported Non-Federal Financial Support (NFFS) revenues and found \$2,149,588 in overreported NFFS. This resulted in \$105,391 of CSG overpayments to the audited stations.

We also issued five evaluation reports based on a series of unannounced reviews of station's compliance with twelve established Communications Act (Act) and CPB transparency requirements. These evaluations are designed to encourage station accountability. The details of these reviews and the specific findings on each of the stations are contained in this report. We plan to perform more reviews in the upcoming year and view them as an opportunity to interact with more stations.

Finally, I would like to express sincere appreciation to the talented individuals responsible for the work contained in this report. I am honored to serve, and I look forward to continued work with the Board, Congress, CPB management, and CPB grantees to further accountability in CPB initiatives and operations.

A handwritten signature in black ink, reading "Kimberly A. Howell". The signature is written in a cursive, flowing style.

Kimberly A. Howell
Inspector General

Reports Issued in the Period Ending September 30, 2021

| Report Number / Date Issued | Report Title | Questioned Costs | | Funds Put To Better Use | Administrative Recommendations |
|---|---|------------------|-------------|----------------------------|-----------------------------------|
| | | Total | Unsupported | | |
| <i>Audits:</i> | | | | | |
| Report No. ASJ2007-2109 8/20/2021 | Audit of Community Service and Other Grants Awarded to South Dakota Public Broadcasting and KUSD-FM, Vermillion, South Dakota, for the Period July 1, 2017 through June 30, 2019 | \$24,300 | \$0 | \$5,024 | 3 |
| Report No. AIO2110-2110 9/16/2021 | Vulnerability Testing of the Corporation for Public Broadcasting’s Information Technology and Database Environments | \$0 | \$0 | \$0 | 0 |
| Report No. ASJ2107-2111 9/23/2021 | Audit of Community Service and other Grants Awarded to the WMHT Educational Telecommunications, WMHT-TV and WMHT-FM, Troy, NY, for the Period July 1, 2018 through June 30, 2020 | \$0 | \$0 | \$0 | 0 |
| Report No. ASR2009-2112 9/27/2021 | Audit of Community Service Grants Awarded to the Pittsburgh Community Broadcasting Corporation, WYEP-FM, Pittsburgh, Pennsylvania for the Period July 1, 2018 through June 30, 2020 | \$0 | \$0 | \$6,844 | 4 |
| Report No. ASR2109-2113 9/28/2021 | Audit of Community Service and Other Grants Awarded to Nevada Public Radio (KNPR), Las Vegas, Nevada, for the Period October 1, 2018 through September 30, 2020 | \$0 | \$0 | \$93,523 | 3 |
| <i>Evaluations:</i> | | | | | |
| Report No. ECR2105-2105 5/20/2021 | Evaluation of KKJZ-FM Compliance with Selected Communications Act and Transparency Requirements as of March 18, 2021 | \$0 | \$0 | \$0 | 0 |
| Report No. ECR2106-2106 5/20/2021 | Evaluation of WVPE-FM Compliance with Selected Communications Act and Transparency Requirements as of March 24, 2021 | \$0 | \$0 | \$0 | 1 |

Reports Issued in the Period Ending September 30, 2021 (cont'd)

| Report Number / Date Issued | Report Title | Questioned Costs | | Funds Put To Better Use | Administrative Recommendations |
|---|--|------------------|-------------|----------------------------|-----------------------------------|
| | | Total | Unsupported | | |
| Report No. ECR2103-2107 5/20/2021 | Evaluation of WVMR-AM Compliance with Selected Communications Act and Transparency Requirements as of March 22, 2021 | \$0 | \$0 | \$0 | 0 |
| Report No. ECR2104-2108 7/13/2021 | Evaluation of KIYU-AM Compliance with Selected Communications Act and Transparency Requirements as of March 25, 2021 | \$0 | \$0 | \$0 | 2 |
| Report No. ECR2111-2114 9/30/2021 | Evaluation of KILI-FM Compliance with Selected Communications Act and Transparency Requirements as of August 9, 2021 | \$0 | \$0 | \$0 | 2 |
| September 30, 2021 Total | | \$24,300 | \$0 | \$105,391 | 15 |

As defined by the Inspector General Act (IG Act), as amended, “questioned costs” are those that are: 1) identified due to an alleged violation of a provision governing the expenditure of funds, 2) not supported by adequate documentation, or 3) unnecessary or unreasonable. “Funds put to better use” are those that could be used more efficiently, e.g., by reducing expenditures or deobligating funds. We use the latter category to report excess CSG funds that stations received, because the funds should have been available for distribution to other eligible stations.

Audits

Audit of Community Service and Other Grants Awarded to Nevada Public Radio, KNPR, Las Vegas, Nevada for the Period October 1, 2018 through September 30, 2020

We found that KNPR overstated \$1,956,375 in NFFS reported on their fiscal years (FY) 2019 and 2020 Annual Financial Reports (AFR) and was not compliant with Communications Act (Act) requirements for open and closed meetings. The station claimed \$1,956,375 resulting in actual and potential CSG overpayments totaling \$93,523, which we reported as funds put to better use.

We audited radio Community Service Grants (CSG) and other grants totaling \$1,212,042 awarded to Nevada Public Radio (KNPR) for the period October 1, 2018 through September 30, 2020, to determine whether the station claimed NFFS on its AFRs in accordance with CPB guidelines; expended grant funds in accordance with the grant agreements; and complied with the certification and statutory requirements of the Act.

We found \$1,956,375 in overstated NFFS reported on KNPR's FYs 2019 and 2020 AFRs. KNPR made several reporting errors including claiming: unrelated business income from advertising and event sponsorship revenues from a magazine business; NFFS from ineligible sources — underwriting not constructively received from third-party advertising agencies and underwriting received from public broadcasting entities and internet advertising; and in-kind donations that lacked adequate documentation from donors. This resulted in actual and potential CSG overpayments totaling \$93,523, which we reported as funds put to better use.

We also found that KNPR was not fully compliant with Act and CPB requirements to ensure required information was made available to the public for advance notice of board, committee, and community advisory board meetings, reasons for closed meetings, and making reasons for closed meetings available to the public within ten days.

Based on our findings, we have reported CSG overpayments as funds put to better use and recommended that CPB management require KNPR to: 1) repay the potential \$93,523 in CSG overpayments; 2) fully comply with Act requirements for open meeting advance notice and document and make available to the public the reasons for closing meetings; and 3) identify the corrective actions and controls it will implement to ensure future compliance with NFFS and AFR reporting and with Act requirements. In response to the draft report, KNPR agreed with our findings on the overstatement of NFFS and station management stated it has implemented new accounting policies and procedures as corrective actions to address the financial findings of our report. It has also instituted new procedures to ensure full compliance with open and closed meeting requirements.

Audit of Community Service and Other Grants Awarded to Nevada Public Radio, KNPR, Las Vegas, Nevada for the Period October 1, 2018 through September 30, 2020, Report No. ASR2109-2113

Audit of Community Service and Other Grants Awarded to South Dakota Public Broadcasting and KUSD-FM, Vermillion, South Dakota, for the Period July 1, 2017 through June 30, 2019

We found that South Dakota Public Broadcasting (SDPB) incurred \$24,300 in questioned TV grant costs for radio-related activities, overstated the NFFS reported on its FY 2018 and 2019 AFRs which resulted in \$5,024 in TV and radio CSG overpayments, and did not fully comply with Act and General Provisions of Eligibility Criteria requirements to provide seven-day advance notice of open meetings.

We audited CPB grants awarded to SDPB and KUSD-FM which included radio and television CSGs, Interconnection, Distance Service, Universal Service and Rural Radio grants for the period July 1, 2017 through June 30, 2019, to determine whether the stations claimed NFFS on its AFRs in accordance with CPB guidelines; expended grant funds in accordance with the grant agreements; and complied with the certification and statutory requirements of the Act.

We found that SDPB incurred \$24,300 of questioned CSG costs for radio-related activities, that were paid for with FYs 2018 and 2019 television CSG grant funds and FY 2019 TV Distance grant funds. We found that SDPB overstated its NFFS reported on its FYs 2018 and 2019 AFRs which resulted in \$5,024 in TV and radio CSG overpayments, which we reported as funds put to better use. We also found that SDPB had not fully complied with Act and CPB requirements to provide the public with seven-day advance notice of open meetings.

We recommended that CPB require SDPB to: 1) repay \$24,300 in questioned costs; 2) return \$5,024 in CSG overpayments; and 3) identify the corrective actions it will take to ensure that radio CSG funds are spent on radio activities, NFFS reporting complies with CPB guidelines, and seven-day advance notice is provided for all open meetings.

In response, SDPB agreed with our findings and implemented corrective actions to address most of the recommendations to ensure future compliance.

Audit of Community Service and Other Grants Awarded to South Dakota Public Broadcasting and KUSD-FM, Vermillion, South Dakota, for the Period July 1, 2017 through June 30, 2019, Report No. ASJ2007-2109

Audit of Community Service and Other Grants Awarded to WYEP-FM, Licensed to the Pittsburgh Community Broadcasting Corporation, Pittsburgh, Pennsylvania, for the Period July 1, 2018 through June 30, 2020

We found that WYEP overstated NFFS totaling \$143,177; did not document its underwriting agreements with direct donors or another public broadcasting entity; and did not fully comply with Act requirements for open and closed meetings, posting its AFR to its website, and ensuring that its Community Advisory Council met during FY 2020. The overstated NFFS resulted in excess CSG payments of \$6,844.

We audited CPB grants awarded to WYEP-FM for the period July 1, 2018 through June 30, 2020, which included radio CSG grants and The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funds to determine whether the station claimed NFFS on its AFRs in accordance with CPB guidelines; expended grant funds in accordance with the grant agreements; complied with the certification and statutory requirements of the Act and CPB's reporting instructions for CARES Act funds.

We found that WYEP overstated NFFS totaling \$143,177 by including underwriting credits that promoted a donor's services, out of period underwriting contributions, donations that were not used for public broadcasting purposes, underwriting received from a public broadcasting entity, and incorrectly offsetting premiums against membership. We found that the station did not document underwriting agreements with direct donors or the constructive receipt agreement with another public broadcaster to receive underwriting on the station's behalf. We also found that the station was not fully compliant with Act and CPB requirements for open and closed meetings, posting the current AFR on the station's website, and ensuring that the station's Community Advisory Council met during FY 2020.

We recommended that CPB require WYEP to: 1) repay \$6,844 in CSG overpayments; 2) identify corrective actions it will implement to ensure future compliance with CPB's NFFS reporting guidelines and transparency requirements; 3) enter into written underwriting agreements with direct donors to support claimed underwriting; and 4) enter into a written agreement with the University station to receive underwriting on behalf of the station in accordance with CPB requirements for constructive receipt of underwriting revenues.

WYEP disagreed that it overstated NFFS by allowing qualitative language for underwriting credits and stated that it had made reasonable, good faith judgments about the content of the underwriting spots. The station also disagreed that it should have documented its underwriting agreements with direct donors but agreed with the report's remaining findings.

Audit of Community Service and Other Grants Awarded to WYEP-FM, Licensed to the Pittsburgh Community Broadcasting Corporation, Pittsburgh, Pennsylvania, for the Period July 1, 2018 through June 30, 2020, Report No. ASR2009-2112

Audit of Community Service and Other Grants Awarded to WMHT Educational Telecommunications, WMHT-TV and WMHT-FM, Troy, New York, for the Period July 1, 2018 through June 30, 2020

We found that WMHT complied with CPB requirements reviewed.

We audited CPB grants awarded to WMHT-TV and WMHT-FM for the period July 1, 2018 through June 30, 2020 which included CSG, Interconnection, Universal Service Support, and an Education Innovation Planning grant to determine whether the stations claimed NFFS on its AFRs in accordance with CPB guidelines; expended grant funds in accordance with the grant agreements; complied with the certification and statutory requirements of the Act and CPB's reporting instructions for CARES Act funds.

Based on our audit, we found that WMHT Educational Telecommunications reported NFFS in accordance with CPB's Guidelines; expended and reported CPB funds in accordance with grant agreement requirements; and complied with other Act and CPB requirements. As a result, we had no findings or recommendations. However, we did find that WMHT misclassified the award of CARES Act funds on its AFR. The misreporting of these revenues had no effect on the reporting of NFFS.

In response to our report, WMHT management was proud that the stations were compliant with NFFS reporting, and Act and other CPB requirements.

Audit of Community Service and Other Grants Awarded to WMHT Educational Telecommunications, WMHT-TV and WMHT-FM, Troy, New York, for the Period July 1, 2018 through June 30, 2020, Report No. ASJ2107-2111

Vulnerability Testing of the Corporation for Public Broadcasting's Information Technology and Database Environments

We engaged the services of the Department of Education's Office of Inspector General to perform an independent security and vulnerability assessment of CPB's information technology environment. We provided the results of the assessment to CPB management; however, because of the sensitivity of the information contained in the report, only a redacted version of the report was posted to the OIG website and distributed to CPB's congressional committees of jurisdiction.

Vulnerability Testing of the Corporation for Public Broadcasting's Information Technology and Database Environments, Report No. AIO2110-2110

Evaluations

As part of our FY 2021 annual plan, the OIG included a new project: to perform a series of evaluations to address station accountability. The Inspector General announced her intention to conduct these evaluations as part of a message to all station general managers in January. After developing a sample and selecting stations, the OIG completed five of these evaluations this reporting period. More evaluations are planned.

The OIG reviewed each station's compliance with twelve identified Communications Act requirements and CPB requirements for transparency as contained in the CSG General Provisions and Eligibility Criteria including Act open meeting requirements for advance notice and closed meeting disclosures; making financial information available; and transparency requirements to identify executives and Board officials, diversity goals and the Local Content Report.

The OIG performed an unannounced review of each station's website for all the criteria that applied to the station by trying to find the required items and information on each station's website. After each review, the OIG contacted the station's general manager, informed them of the findings, and offered an opportunity to provide additional documentation, if available. The OIG proceeded with its usual reporting steps of issuing: 1) preliminary observations, with an opportunity to comment; 2) draft report, with a request to provide formal comment; and 3) final report.

The reports on the stations evaluated and the results found are summarized as follows:

[Evaluation of KKJZ-FM, licensed to California State University Long Beach Foundation, Compliance with Selected Communications Act and Transparency Requirements as of March 18, 2021, Report No. ECR2105-2105, issued May 20, 2021](#)

We reviewed KKJZ-FM's website on February 25, 2021, and found that the station was compliant with seven of the seven requirements applicable to the station.

[Evaluation of WVMR-AM, licensed to the Pocahontas Communications Cooperative Corporation, Dunmore, West Virginia, Selected Communications Act and Transparency Requirements as of March 22, 2021, Report No. ECR2103-2107, issued May 20, 2021](#)

We reviewed WVMR-AM's website on February 24 and March 4, 2021, and found that the station was compliant with nine of the nine requirements applicable to the station.

[Evaluation of WVPE-FM, licensed to Elkhart Community Schools, Elkhart, Indiana, Selected Communications Act and Transparency Requirements as of March 24, 2021, Report No. ECR2106-2106, issued May 20, 2021](#)

We reviewed the WVPE-FM website on February 26, 2021, and found that the station was compliant with nine of ten requirements applicable. The station was not compliant with the open financial records requirement because the most recent CPB Annual Financial Report was not posted to the station's website. After the OIG presented this information to the station, station management promptly posted the report. When our report was issued, WVPE was compliant with open financial records requirements.

The OIG recommended that CPB require WVPE-FM to identify the controls it will implement to ensure future compliance with Act and transparency requirements to post its AFR to its website.

[Evaluation of KIYU-AM, licensed to Big River Public Broadcasting Foundation, Galena, Alaska, Compliance with Selected Communications Act and Transparency Requirements as of March 25, 2021, Report No. ECR2104-2108, issued July 13, 2021](#)

The OIG reviewed KIYU-AM's website on February 24 and March 18, 2021, and found that the station was compliant with eight of the eleven requirements applicable. The station was not fully compliant with the requirements for: advance notice of Community Advisory Board (CAB) meetings, providing reasons for closed meetings, and making reasons for closed meetings available to the public within 10 days.

We recommended that CPB require KIYU to fully comply with Act requirements for open and closed meetings and identify the corrective actions it will take to ensure future compliance with meeting requirements for advance notice, reasons for closed meetings, and making closed meeting information available to the public within ten days of the meeting.

[Evaluation of KILI-FM, licensed to Lakota Communications, Inc., Porcupine, South Dakota, Compliance with Selected Communications Act and Transparency Requirements as of August 9, 2021, Report No. ECR2111-2114, issued September 30, 2021](#)

We reviewed KILI's website on July 21, 2021, and found the station was compliant with five of the nine applicable requirements. The station was not compliant with the requirements to: provide seven days advance notice of governing body meetings; provide seven days advance notice of CAB meetings; post the most recent CPB Annual Financial Report on the station's website; and post the names of members of its CAB on the station's website.

The station took corrective actions and was compliant with posting the AFR and CAB members by the time the report was issued and understands the requirement to document advance notice to the public of governing body and CAB meetings. We recommended that CPB require the station to fully comply with Act requirements for advance notice of meetings and to identify what controls it will implement to ensure future compliance with Act and transparency requirements.

Additional Reporting Requirements

Resolution of Recommendations

The following table summarizes CPB management's resolution activities for this reporting period. We have included reports with monetary and non-monetary administrative recommendations.

| Description | Number of Reports | Questioned Costs | | Funds Put To Better Use |
|--|-------------------|------------------|-----------------|-------------------------|
| | | Total | Unsupported | |
| Reports for which no management decision had been made by the start of the reporting period. | 3 | \$45,332 | \$34,985 | \$100,091 |
| Reports issued during the reporting period. | 6* | \$24,300 | \$0 | \$105,391 |
| Subtotals | 9 | \$69,832 | \$34,985 | \$205,482 |
| Reports for which a management decision was made during the reporting period: | 5 | | | |
| • Dollar value of recommendations agreed to by management | | \$33,882 | \$28,898 | \$114,096** |
| • Dollar value of recommendations not agreed to by management | | \$11,650 | \$6,087 | \$0 |
| Reports with no management decision at the end of the reporting period. | 4 | \$24,300 | \$0 | \$105,391 |

* A total of 10 audit and evaluation reports were issued during this reporting period. Four reports had no monetary or administrative findings.

** This total included disallowed funds put to better use of \$100,091 and penalties of \$14,005.

Reports Issued Before This Reporting Period with Open Recommendations

The following table presents the audit reports that we issued before April 1, 2021, with recommendations open as of September 30, 2021.

Open Recommendations

| Audit Entity / Report Number / Date Issued | Recommendations | Audit Resolution Date | Potential Cost Savings | Number of Open Recommendations | Date of Corrective Action |
|--|---------------------------------------|-----------------------|------------------------|--------------------------------|---------------------------|
| KUEN AST2005-2007 9/28/2020 | 1) Recover potential CSG overpayments | 1/21/2021 | \$1,355,797 | 1 | Fall of 2021 |
| | Total | | \$1,355,797 | 1 | |

Investigative Activities

The IG Act provides for the OIG to receive and investigate complaints or allegations involving potential violations of law, rules, or regulations, mismanagement, gross waste of funds, or abuse of authority. We receive allegations through a variety of means, including our hotline. We review allegations to determine whether the complaint should be the subject of an audit, evaluation, or investigation, or referred to CPB or another entity. If we decide to investigate, our results must be reported here. We may refer the results of our investigations to appropriate prosecuting authorities for action, and such actions must be reported here.

Allegations and Hotline Complaints

At the beginning of this reporting period, we had two complaints carried over from the prior period and received 31 new complaints. Of those 33 complaints, we closed 33. We referred one complaint for possible audit or evaluation and five to CPB management for their attention or information. One matter was referred to the Public Editors at PBS and NPR. One matter was referred to a federal OIG. In five matters, we provided information to the complainant and closed it, and in another nine, we provided information to the complainant where the issues complained of are outside of our purview. We closed another eleven complaints because we determined that they either lacked specificity or the complaint was not within our purview. At the end of the reporting period, no complaints remained open.

Investigations

During this reporting period, we have one investigation carried over from the prior period. We did not issue any investigative reports or refer any persons to prosecuting authorities. We also had no indictments or information resulting from referrals for prosecution.

Other OIG Activities

Audit Peer Review

The OIG's most recent audit peer review was conducted by the Export-Import Bank of the United States' OIG for the year that ended March 31, 2019. We received a rating of pass, which is the highest level of assurance an audit organization can receive, and the report contained no recommendations. The report is dated September 11, 2019 and can be found on our website.

[*Audit Peer Review of the Corporation for Public Broadcasting Office of the Inspector General*](#)

Inspection & Evaluation Peer Review

A team of evaluators from two OIG offices conducted a peer review of our evaluation and inspections work and issued its final report on December 4, 2018. The review team determined that our policies and procedures generally met the seven standards of CIGIE's Quality Standards for Inspection and Evaluation that were addressed in this review — Quality Control, Planning, Data Collections and Analysis, Evidence, Records Maintenance, Reporting, and Follow-up. The team also concluded that the two reports tested met CIGIE's inspection standards and complied with our internal policies and procedures. The report is on our website.

[*Inspection and Evaluation Peer Review of the Corporation for Public Broadcasting Office of the Inspector General*](#)

OIG Outreach

Station outreach enables us to inform the station about the Inspector General mission and purpose, discuss compliance and other issues we have identified in our work, and better understand the challenges facing public media station officials.

Station Outreach and Public Media Business Association Conference

During this reporting period, the Inspector General and other OIG staff performed five unannounced station compliance evaluations. This provided the opportunity for the IG and OIG staff to interact with station officials and to convey not only the results of the evaluation, but also overall information about the OIG, our mission, and compliance work. Additional outreach efforts included training at the Public Media Business Association Conference on preparing for an OIG audit in a remote environment conducted by several OIG staff members.

Participation in CIGIE

The IG continues to serve as a member of several CIGIE committees including Audit, Legislation, Inspection and Evaluation, and a working group focused on Diversity, Equity, and Inclusion (DE&I). She also regularly participates with the Pandemic Response Accountability Committee's meetings and activities.

II . CPB AUDIT RESOLUTION ACTIVITIES

Message from the Chief Financial Officer and Treasurer

September 30, 2021

The audit function provided by the OIG plays a critical role in enforcing compliance with both statutory requirements and CPB policies in relation to eligibility and utilization of funds received in the form of grants or contracts from the corporation. CPB management works closely with the OIG in support of an overall shared goal to maximize the value to the American Public of the public media system from the financial support provided by Congress. In addition to compliance, OIG audits provide an important tool for CPB management to assess the effectiveness of our many programs to ensure that limited resources provided by CPB are utilized with their intended statutory purposes. The collaborative working relationship between CPB and OIG staffs has led to many enhancements in the public media system consisting of 1,178 public radio and 356 public TV stations.

Audit findings provided by the OIG are an important element in assessing the effectiveness of and influencing modifications to CPB policies and procedures. Our staffs communicate frequently and work cooperatively to discuss and resolve report findings and address their recommendations. We believe the success of these efforts has been demonstrated by the current trend in both fewer audit findings and reduced questioned costs.

CPB continues to communicate with grantees and provide training on compliance with the Communications Act and CPB policies and procedures. The OIG also makes presentations at public media meetings in their efforts to provide insight on their audit findings and to provide recommendations to licensees on compliance matters.

While our normal processes of communicating with our grantees may be impacted with the modifications in our work environments resulting from the current COVID-19 pandemic, we are all working together, utilizing multiple aspects of technology to maintain the integrity of our programs and grants and address the needs of the America's public media system.



Chief Financial Officer and Treasurer

Recovering Disallowed Costs and Funds Put to Better Use

During this reporting period, CPB management issued five management decision that addressed OIG findings with questioned costs and funds put to better use. The following table presents the results of management's actions.

| Description | Number of Reports | Dollar Value of Disallowed Costs | Dollar Value Funds Put to Better Use |
|---|-------------------|----------------------------------|--------------------------------------|
| Reports with management decisions for which final action had not been completed by the start of the reporting period. | 4 | \$128,004 | \$1,459,101 |
| Reports for which management decisions were made during the reporting period | 5 | \$33,882 | \$114,096 |
| Subtotal | 9 | \$161,886 | \$1,573,197 |
| Reports for which final action was taken during the reporting period. | 8* | | |
| • Dollar value of disallowed costs that have been recovered through collection or offset. | | \$161,886 | \$116,309 |
| • Dollar value of disallowed costs written off as uncollectible. | | \$0 | \$0 |
| Reports for which final actions were not completed by the end of the reporting period. | 3 | \$0 | \$1,456,888 |

* Collections are reported on eight reports during this reporting period, six of the collections represented final collections actions. One of the reported collections was for a payment of \$78,028 received in March 2021 that should have been reported in our prior Semiannual Report.

Index of IG Act Reporting Requirements

| IG Act Reference | OIG Reporting Requirements | Page |
|------------------------------|---|------|
| Section 4(a)(2) | Review of legislation and regulations | NA |
| Section 5(a)(1) | Significant problems, abuses, and deficiencies | 4-9 |
| Section 5(a)(2) | Recommendations with respect to significant problems, abuses, and deficiencies | 4-9 |
| Section 5(a)(3) | Prior significant recommendations not yet completed | 10 |
| Section 5(a)(4) | Matters referred to prosecutive authorities and prosecutions/convictions resulting | NA |
| Section 5(a)(5) | Summary of instances where information was unreasonably refused or not provided | NA |
| Section 5(a)(6) | List of audit and inspection reports issued, including questioned costs, unsupported costs, and funds put to better use | 2-3 |
| Section 5(a)(7) | Summary of each significant report | 4-9 |
| Section 5(a)(8)b | Statistical table showing the number of audit reports and dollar value of questioned costs | 10 |
| Section 5(a)(9) | Statistical table showing the number of audit reports and dollar value of recommendations that funds be put to better use | 10 |
| Section 5(a)(10)(A) | Summary of audit reports issued before the start of the reporting period - for which no management decision has been made by the end of the reporting period | NA |
| Section 5(a)(10)(B) | Summary of audit reports issued before the start of the reporting period - for which no establishment comment was returned within 60 days of providing the report the establishment | NA |
| Section 5(a)(10)(C) | Summary of audit reports issued before the start of the reporting period - for which there are outstanding unimplemented recommendations, including the aggregate potential cost savings of those recommendations | 10 |
| Section 5(a)(11) | Description and explanation of reasons for any significant revised decisions by management during the reporting period | NA |
| Section 5(a)(12) | Information concerning significant decisions by management with which the Inspector General disagrees | NA |
| Section 5(a)(14) and (a)(15) | Information regarding peer reviews involving the Office of the Inspector General | 12 |
| Section 5(a)(16) | Information regarding peer reviews conducted by the Office of the Inspector General | NA |

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| Section 5(a)(17) | Statistical tables showing investigative, referral and prosecution results | NA |
| Section 5(a)(18) | Description of metrics used for investigative statistics | NA |
| Section 5(a)(19) | Report on substantiated investigations of high-level management officials | NA |
| Section 5(a)(20) | Description of instances of whistleblower retaliation | NA |
| Section 5(a)(21) | Description of instances of interference with Inspector General independence | NA |
| Section 5(a)(22) | Description of audit or investigation reports not made available to the public | 7 |
| Section 5 Notes | Disclosure of government contractor audit findings | NA |

| | CPB Management Reporting Requirements | |
|-----------------|---|----|
| Section 5(b)(2) | Statistical table showing the total number of audit reports and results from disallowed costs | 14 |
| Section 5(b)(3) | Statistical table showing the total number of audit reports and results from recommendations that funds be put to better use agreed to in a management decision | 14 |
| Section 5(b)(4) | Summary of audit reports where final action has not been completed within one year of a management decision | NA |

Contact CPB/OIG

If you have information about fraud, waste, or abuse involving CPB funds, initiatives, or operations, please call, write, or email the Office of the Inspector General or file a complaint through our website. Your report may be made anonymously or in confidence.

Call: Inspector General Hotline
202-879-9728 or
800-599-2170

Email: oigemail@cpb.org

Write: Inspector General Hotline
Office of the Inspector General
Corporation for Public Broadcasting
401 Ninth Street, NW
Washington, DC 20004-2129

Website: cpboig.oversight.gov/hotline



On October 1, 2017, the Council of the Inspectors General on Integrity and Efficiency (CIGIE) announced the official launch of Oversight.gov. This new website provides a “one stop shop” to follow the ongoing oversight work of all Inspectors General that publicly post reports.

The Corporation for Public Broadcasting, like the other OIGs, will continue to post reports to its own website. But with the launch of Oversight.gov, users can now sort, search, and filter the site’s database of public reports from all of CIGIE’s member OIGs to find reports of interest. In addition, the site features a user-friendly map to find reports based on geographic location, and contact information for each OIG’s whistleblower hotline. Users can receive notifications when new reports are added to the site by following CIGIE’s new Twitter account, [@OversightGov](https://twitter.com/OversightGov).



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