



Corporation
for Public
Broadcasting

SEMIANNUAL REPORT
OFFICE OF THE INSPECTOR GENERAL
AND
AUDIT RESOLUTION ACTIVITIES

OCTOBER 1, 2021 THROUGH MARCH 31, 2022



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 1,546 public media stations, as well as research, technology, and program development for public radio, television, and related online services. For fiscal year 2022, CPB received \$465 million for its general appropriation, \$20 million for a public media interconnection appropriation from Congress, and \$20.8 million in Ready to Learn funds as part of a five-year grant from the U.S. Department of Education.

For the first time, Congress also provided \$40 million to the Department of Homeland Security's Federal Emergency Management Agency (FEMA) for the Next Generation Warning System to improve the capabilities of public broadcasters to send critical emergency and civil defense warnings. In providing the \$40 million to FEMA, Congress directed FEMA and CPB to work closely together in implementing this new grant program.

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

March 31, 2022

I am pleased to submit this Semiannual Report to Congress detailing the Office of the Inspector General's activities during the period October 1, 2021 through March 31, 2022. 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, we issued one full scope station audit report and three evaluation reports. The audit found that the station reported Non-Federal Financial Support (NFFS) in accordance with CPB's Financial Reporting Guidelines (Guidelines), expended and reported funds in accordance with grant requirements, and complied with Communications Act (Act) and CPB transparency requirements. The evaluations were conducted as part of a series of unannounced reviews of station compliance with twelve established Act and CPB transparency requirements.

Also, during this period, we received an external peer review of our Inspection and Evaluation function by a federal OIG. The OIG determined that our policies and procedures were generally consistent with standards and the two reports reviewed generally complied with standards. Additionally, we conducted an audit external peer review of another federal OIG.

Our office continues to adapt to the challenges of the unique work environment resulting from the COVID-19 pandemic. Our office remains effective and productive while working remotely and continues to innovate 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 the challenging pandemic environment. Our office will continue to develop new and creative ways to expand our oversight of CPB.

I would like to express sincere appreciation to the talented individuals responsible for the work contained in this report. I would like to thank the CPB Board, Congress, and CPB management for supporting our office. I look forward to continuing our effective working relationships with the CPB Board, CPB management, and CPB grantees to further accountability in CPB initiatives and operations.

A handwritten signature in black ink that reads 'Kimberly A. Howell'.

Kimberly A. Howell
Inspector General



Reports Issued in the Period Ending March 31, 2022

Report Number / Date Issued	Report Title	Questioned Costs		Funds Put to Better Use	Administrative Recommendations
		Total	Unsupported		
Audit:					
Report No AST2108-2202 12/1/2021	Audit of Community Service and Other Grants Awarded to Hawaii Public Television Foundation, KHET and KMEB, Honolulu, Hawaii, for the Period July 1, 2018 through June 30, 2020	\$0	\$0	\$0	0
Evaluations:					
Report No. ECR2113-2201 10/20/2021	Evaluation of KWIT- FM Compliance with Selected Communications Act and Transparency Requirements as of August 31, 2021	\$0	\$0	\$0	3
Report No. ECR2202-2203 1/14/2022	Evaluation of WSLU-FM/ North Country Public Radio Compliance with Selected Communications Act and Transparency Requirements	\$0	\$0	\$0	1
Report No. ECR2203-2204 2/7/2022	Evaluation of WSHU- FM/WSHU Public Radio Compliance with Selected Communications Act and Transparency Requirements	\$0	\$0	\$0	1
	March 31, 2022 Total	\$0	\$0	\$0	5

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.



Audit

Audit of Community Service and Other Grants Awarded to Hawaii Public Television Foundation, KHET and KMEB, Honolulu, Hawaii, for the Period July 1, 2018 through June 30, 2020

We found that Hawaii Public Television Foundation reported NFFS in accordance with CPB's Guidelines, expended and reported CPB funds in accordance with grant agreement requirements and complied with the Certification of Eligibility requirements and the statutory provisions of the Act.

We audited radio Community Service Grants (CSG) and other grants totaling \$3,005,431 awarded to Hawaii Public Television Foundation (Hawaii PBS) for the period July 1, 2018 through June 30, 2020, to determine whether the station claimed NFFS on its Annual Financial Reports (AFR) 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.

Based on our audit, we found that PBS Hawaii:

- reported NFFS in accordance with CPB's Guidelines;
- expended and reported on CSG and emergency funds in accordance with grant agreement requirements; and
- complied with the Certification of Eligibility requirements and other statutory provisions of the Act.

The report had no audit findings, however, we identified and reported under Other Matters that Hawaii PBS inaccurately reported expenditures on its AFR Schedule E, related to emergency stabilization funds for public media received from CPB in the Coronavirus Aid, Relief, and Economic Security Act. In response to our draft report, the station indicated that they will continue to work diligently to ensure compliance with CPB requirements.

Audit of Community Service and Other Grants Awarded to Hawaii Public Television Foundation, KHET and KMEB, Honolulu, Hawaii, for the Period July 1, 2018 through June 30, 2020, Report No. AST2108-2202



Evaluations

As part of our FY 2022 annual plan, the OIG continues to perform unannounced station evaluations to assess accountability for reporting compliance with grant requirements on station websites. The Inspector General announced her intention to conduct these evaluations as part of a message sent to all station general managers in January 2021. The OIG completed three of these evaluations this reporting period with additional evaluations planned for this fiscal year.

The OIG reviewed each station's website for compliance with twelve specific Act and CPB CSG requirements for transparency. These requirements included Act open meeting requirements for advance notice and closed meeting disclosures; making financial information available; and grant transparency requirements to identify station executives and Board officials, diversity goals, and the Local Content and Services report.

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

[Evaluation of WSHU-FM/WSHU Public Radio, Licensed to Sacred Heart University, Fairfield, Connecticut, Compliance with Selected Communications Act and Transparency Requirements Report No. ECR2203-2204, issued February 7, 2022](#)

We reviewed WSHU-FM's website on October 21, 2021, and found that the station was compliant with six of the nine requirements applicable. The station was not compliant with the following three requirements:

- to post the most recent CPB AFR;
- to post the most recent Audited Financial Statement (AFS); and
- to post the names of members of its Community Advisory Board (CAB).

After being notified of our findings, the station promptly took corrective action and posted the most recent AFR, AFS, and CAB members names to their website. Station management acknowledged the errors and provided a commitment to full compliance in the future.

We recommended that CPB management require WSHU to identify the controls it will implement to ensure future compliance with CPB's open financial records and CSG transparency requirements. In response to our draft report, WSHU accepted our findings and reiterated that it had taken corrective action and was committed to future compliance.



Evaluation of WSLU-FM/North Country Public Radio, Licensed to St. Lawrence University, Canton, New York, Compliance with Selected Communications Act and Transparency Requirements Report No. ECR2202-2203, issued January 14, 2022

We reviewed WSLU-FM/North Country Public Radio's (NCPR) website on October 5, 2021, and found that the station was compliant with seven of the eight requirements applicable. The station was not compliant with the requirement to:

- post the most recent CPB AFR on the station's website.

After being notified of our finding, station management promptly took corrective action and posted its most recent AFR. The station said it is committed to transparency and believes it remedied the issue raised by the OIG. In response to our draft report, NCPR accepted our findings, reiterated its commitment to transparency, and stated it had instituted management procedures to prevent the error from recurring.

Evaluation of KWIT-FM, Licensed to Western Iowa Technical Community College, Sioux City, Iowa, Compliance with Selected Communications Act and Transparency Requirements as of August 31, 2021 Report No. ECR2113-2201, issued October 20, 2021

We reviewed KWIT-FM's website on August 10, 2021, and found that the station was compliant with seven of the nine requirements applicable. The station was not compliant with two requirements to:

- provide seven-day advance notice of meetings of its governing board; and
- post the names of governing board member to its website.

In response to the OIG's draft report, KWIT-FM took corrective action by broadcasting notice of its upcoming November board meeting and providing a log of the announcements broadcast. It also established procedures to provide seven-day advance notice of future meetings when public broadcasting business will be discussed and to maintain documentation of the broadcast notices. The station also created a webpage listing the names of governing board members.



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.	4	\$24,300	\$0	\$105,391
Reports issued during the reporting period.	4*	\$0	\$0	\$0
Subtotals	8**	\$24,300	\$0	\$105,391
Reports for which a management decision was made during the reporting period:	6			
• Dollar value of recommendations agreed to by management		\$24,300	\$0	\$132,843***
• Dollar value of recommendations not agreed to by management		\$0	\$0	\$4,108
Reports with no management decision at the end of the reporting period.	1	\$0	\$0	\$0

* A total of 4 audit and evaluation reports were issued during this reporting period. One report had no monetary or administrative findings.

** Only seven reports required a management decision resolving the audits' findings.

*** This total included disallowed funds put to better use of \$103,948 and penalties of \$28,895. Additional costs of \$2,665 were disallowed for one report in the management decision.



REPORTS ISSUED BEFORE THIS REPORTING PERIOD WITH OPEN RECOMMENDATIONS

The following table presents the audit reports that we issued before October 1, 2021, with recommendations open as of March 31, 2022.

Audit Entity / Report Number / Date Issued	Recommendations	Audit Resolution Date	Potential Cost Savings	Number of Open Recommendations	Date of Corrective Action
KUSD ASJ2007-2109 8/20/2021	4) Recover \$5,024 in TV & Radio CSG overpayments	12/9/2021	\$5,024	1	Fall of 2022
WYEP ASR2009-2112 9/27/2021	1) Recover the potential CSG overpayment of \$6,844	3/24/2022	\$2,736	1	Fall of 2022
	3) Enter into written underwriting agreements to support all underwriting claimed			1	5/8/2022
	4) Enter into a written agreement with the university station to receive underwriting on behalf of WYEP in accordance with CPB requirements for constructive receipt of underwriting revenues			1	5/8/2022
Nevada Public Radio ASR2109-2113 9/28/2021	1) Recover potential \$93,523 in CSG overpayments	12/9/2021	\$96,188	1	Fall of 2022
KILI-FM ECR2111-2114 9/30/2021	2) Identify what controls it will implement to ensure future compliance	1/04/2022	\$2,000	1	Penalty payment past due
	Total		\$105,948	5	



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.

INVESTIGATIONS

During this reporting period, one investigation remains open. 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.

ALLEGATIONS AND HOTLINE COMPLAINTS

At the beginning of this reporting period, we had no complaints carried over from the prior period and received 31 new complaints. Of those 31 complaints, we closed 28. We referred three complaints for possible OIG audit or evaluation. We conferred with or referred to CPB management three complaints for their attention or information. Two complaints were referred to other OIGs for their attention and action. In three matters, we provided information to the complainant and closed it, and in another seven, we provided information to the complainant where the issues raised are outside of our purview. We closed another ten complaints because we determined that they either lacked specificity or the complaint was not within our purview. At the end of the reporting period, three complaints remained open.



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 External Review of the Corporation for Public Broadcasting Office of the Inspector General*](#)

INSPECTION & EVALUATION PEER REVIEW

A team of evaluators from the Farm Credit Administration OIG conducted a peer review of our evaluation and inspections work and issued its final report on January 28, 2022. The review team assessed the extent to which our office complied with the seven Blue Book standards of CIGIE's *Quality Standards for Inspection and Evaluation* — Quality Control, Planning, Data Collections and Analysis, Evidence, Records Maintenance, Reporting, and Follow-up. The review included a review of CPB OIG's internal policies and procedures implementing the seven CIGIE standards and a review of two evaluation reports.

The peer review determined that CPB OIG's policies and procedures were generally consistent with the seven Blue Book standards and that the two reports reviewed both generally complied with those same seven standards. The report is dated January 22, 2022, and can be found on our website.

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

PEER REVIEW CONDUCTED BY THE OIG

During this period, we conducted an audit peer review of the Federal Maritime Commission (FMC) OIG. We issued our final system review report on March 23, 2022. We concluded that FMC OIG's system of quality control has been suitably designed and complied with to provide that office with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The report can be found on the FMC OIG website.

[*External Audit Peer Review of the Federal Maritime Commission Office of 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.

Public Media Business Association Webinar and Unannounced Evaluations

In February, the OIG conducted a roundtable webinar with the Public Media Business Association for its members and public media station employees. The webinar afforded participants an opportunity to ask questions and we covered topics including NFFS testing, audit process, accounting issues, Act and transparency compliance, and identifying and reporting fraud. During our unannounced evaluations, we take the opportunity to provide informal outreach to station officials and provide overall information about the OIG, our mission, and our oversight work.

Participation in CIGIE

The IG continues to serve as a member of four CIGIE committees: Integrity, Audit, Legislation, and Inspection and Evaluation, and a working group focused on Diversity, Equity, and Inclusion (DE&I). The IG 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

March 31, 2022

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.

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.

A handwritten signature in blue ink, appearing to read 'William P. Tayman, Jr.', with a stylized flourish at the end.

William P. Tayman, Jr.
Chief Financial Officer and Treasurer



Recovering Disallowed Costs and Funds Put to Better Use

During this reporting period, CPB management issued six 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.	3	\$0	\$1,456,888
Reports for which management decisions were made during the reporting period	6	\$24,300	\$132,843
Subtotal	9	\$24,300	\$1,589,731
Reports for which final action was taken during the reporting period.	6*		
<ul style="list-style-type: none">Dollar value of disallowed costs that have been recovered through collection or offset.		\$24,300	\$1,476,009
<ul style="list-style-type: none">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.	5	\$0	\$113,722

* Collections are reported on six reports during this reporting period. Four of the collections represented final collections actions, leaving a balance of five reports with funds to be recovered.



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	NA
Section 5(a)(2)	Recommendations with respect to significant problems, abuses, and deficiencies	3-5
Section 5(a)(3)	Prior significant recommendations not yet completed	NA
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
Section 5(a)(7)	Summary of each significant report	3-5
Section 5(a)(8)b	Statistical table showing the number of audit reports and dollar value of questioned costs	6
Section 5(a)(9)	Statistical table showing the number of audit reports and dollar value of recommendations that funds be put to better use	6
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	7
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	9
Section 5(a)(16)	Information regarding peer reviews conducted by the Office of the Inspector General	9



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IG Act Reference	OIG Reporting Requirements	Page
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	NA
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	12
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	12
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 e-mail 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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