



Corporation
for Public
Broadcasting

Office of the Inspector General

June 30, 2023

To: Jackie J. Livesay, Deputy General Counsel and Vice President, Compliance
Kathy Merritt, Senior Vice President, Radio, Journalism and CSG Services

From: Kimberly A. Howell, Inspector General

Digitally signed by
Kimberly Howell
Date: 2023.06.30
12:38:53 -04'00'

Subject: Evaluation of KCCU-FM, Cameron University, Compliance with Selected
Communications Act, Diversity and Transparency Requirements, Report No.
ECR2309-2309

We have completed an unannounced evaluation of compliance with selected requirements of the 2023 Corporation for Public Broadcasting (CPB) Community Service Grant (CSG) awarded to KCCU-FM, licensed to Cameron University, Lawton, Oklahoma. Our specific objectives were to verify compliance with twelve requirements of the Communications Act of 1934, as amended (Act) for open and closed meetings and open financial records, as well as the CSG General Provisions and Eligibility Criteria (General Provisions) for diversity and transparency as presented in Exhibit A. Background information on the station and CSG program can be found in Exhibit B.

Based on our review of KCCU's website on April 3, 2023, we found the station was compliant with five of the seven requirements applicable. The station was not compliant with one requirement and partially compliant with another requirement. The remaining five requirements were not applicable.

Specifically, we found that the station:

- was not compliant with posting the most recent CPB Annual Financial Report (AFR) on the station's website; and
- was generally compliant with the Diversity Statement requirements, except for:
 - conducting an annual review of the Diversity Statement with the Governing Board or licensing official of its diversity goals and revisions, and
 - clearly reflecting the progress the Grantee has made to increase its diversity in the last two to three years in the Diversity Statement.

We recommend that CPB require KCCU-FM to:

- 1) identify the corrective actions and controls it will implement to ensure future compliance with Act requirements for open financial records,

- 2) update its Diversity Statement to fully address the CPB diversity requirements, and
- 3) identify the corrective actions and controls it will implement to ensure future compliance with diversity requirements.

In response to our draft report, KCCU management expressed they will work diligently to ensure compliance in the future and took immediate corrective actions to address the issues by updating the station website with the most current AFR. Further, the station updated their diversity statement to reflect progress made toward its diversity goals over the last two to three years and intends to maintain proof of annual reviews of the statement by the Board or licensing official. The station's full response to the draft report and updated Diversity Statement is presented in Exhibit D.

Based on KCCU-FM's response to the draft report, we consider our recommendations resolved but open pending CPB's management decision accepting the station's corrective actions.

We initiated this evaluation to address station accountability as identified in our Annual Plan. We conducted our evaluation in accordance with the Council of the Inspectors General on Integrity and Efficiency *Quality Standards for Inspection and Evaluation*. Our scope and methodology are discussed in Exhibit C.

cc: Laura Ross, Chair, CPB Board of Directors
Elizabeth Sembler, Chair, Audit and Finance Committee, CPB Board of Directors
U.S. Senate Committee on Homeland Security and Governmental Affairs
U.S. House of Representatives Committee on Oversight and Government Reform
U.S. Senate Committee on Commerce, Science and Transportation
U.S. House of Representatives Energy and Commerce Committee
U.S. Senate Committee on Appropriations
U.S. Senate Labor-HHS-Education Appropriations Subcommittee
U.S. House of Representatives Committee on Appropriations
U.S. House of Representatives Labor-HHS-Education Appropriations Subcommittee

FINDINGS AND RECOMMENDATIONS

I. ACT COMPLIANCE

Open Financial Records

Our evaluation found that KCCU-FM was not fully compliant with the Act requirements for open financial records to be available on the station's website. Specifically, we found that KCCU-FM had not posted its FY 2022 AFR to its website as of the date of our review, April 3, 2023.

The Act provides:

Funds may not be distributed pursuant to this subsection to any public telecommunications entity that does not maintain for public examination copies of the annual financial and audit reports, or other information regarding finances, submitted to the Corporation ...

47 U.S.C. Section 396 (k)(5). CPB's compliance guidance restates the requirement:

The Public's Access to Financial Information: The Act requires stations to make available to the public their annual financial and audit reports and other financial information they are required to provide to CPB. CPB also requires that each CSG recipient post the following documents on its station website:

- 1) its most recent audited financial statement or un-audited statement for stations exempt from providing audited financial statements; and
- 2) its most recent annual financial report (AFR) or annual financial summary report (FSR) (whichever is applicable).

CPB Act Compliance 2021 - III. Open Financial Records, Section E.

After receiving our Preliminary Observations on April 14, 2023, the station took immediate corrective action to post the AFR to its website and brought the station into compliance with this requirement.

At the time of our initial review on April 3, 2023, the station was not compliant with Act open financial records requirements and may be subject to penalties under CPB's Non-Compliance Policy.

Recommendation:

- 1) We recommend that CPB management require KCCU-FM to identify the corrective actions and controls it will implement to ensure future compliance with Act and CPB requirements for open financial records.

KCCU-FM Response:

In response to our draft report, KCCU management expressed they will work diligently to ensure compliance in the future and took immediate corrective actions to address the issues by updating the station website with the most current AFR.

OIG Review and Comment:

Based on KCCU-FM's response to the draft report, we consider our recommendation resolved but open pending CPB's management decision accepting the station's corrective actions to ensure future compliance.

II. DIVERSITY COMPLIANCE

Diversity Statement

Our evaluation found that KCCU-FM generally complied with the CPB requirements to provide a Diversity Statement. However, we found that KCCU did not:

- annually review of the Diversity Statement with the Governing Board or licensing official the diversity goals and revisions, and
- clearly reflect the progress the Grantee has made to increase its diversity in the last two to three years in the Diversity Statement.

Station management confirmed that the Board of regents did not review the current Diversity Statement. Further, based on our review of the Diversity Statement we could not identify the progress the Grantee has made to increase its diversity in the last two to three years in the Diversity Statement. The following portion of the diversity was highlighted by station management:

As our pledge to diversity, KCCU will undertake one of the following initiatives on an annual basis:

- Include individuals representing diverse groups in internships or work-study programs designed to provide meaningful professional level experience in order to reflect the diversity of the communities they serve and further public broadcasting's commitment to education;
- Include qualified diverse candidates in any slate of candidates for elected governing boards that the Grantee controls;
- Implement a diversity training program for members of the organization's governing board of directors on an annual basis;
- Participate in minority or other diversity job fairs; or
- Implement formal diversity training programs for management and appropriate staff.

While these elements met CPB requirements for diversity plans for the upcoming year, we did not identify any reporting on the station's progress over the last two to three years to increase its diversity.

CPB's FY 2023 Radio Community Service Grant General Provisions and Eligibility Criteria, Section 8. Diversity Statement states:

The Act requires CPB to support diverse non-commercial educational content for unserved and underserved audiences. CPB's goal, therefore, is to support stations in providing a wide

variety of educational, informational, and cultural content that addresses the following elements of diversity: gender, age, race, ethnicity, culture, religion, national origin, and economic status. It is appropriate that Grantee engage in practices designed to reflect such diversity of the populations it serves. In support of these objectives, Grantee must comply with the following.

A. Annual Review: Annually review and make any necessary revisions to the station's established diversity goal for its workforce, management, and boards, including community advisory boards and governing boards having governance responsibilities specific to or limited to broadcast stations.

B. Diversity Statement: Undertake the following to achieve Grantee's diversity goal.

1. Annually review with the station's governing board or Licensee Official:

- a. the diversity goal and any revisions thereto; and
- b. practices designed to fulfill the station's commitment to diversity and to meet the applicable FCC guidelines (47 C.F.R. § 73.2080).

2. Maintain on its website or make available at its central office, a diversity statement (approximately 500 words) that reflects on the following points, reviewing and updating the same annually with station management:

- a. the elements of diversity that Grantee finds important to its public media work;
- b. the extent to which Grantee's staff and governance reflect such diversity;
- c. the progress Grantee has made to increase its diversity in the last two to three years; and
- d. Grantee's diversity plans for the coming year....

Based on our review we concluded that the Diversity Statement did not fully address two of the four reporting points spelled out in CPB's criteria.

Recommendations:

We recommend that CPB management require KCCU-FM to:

- 2) update its Diversity Statement to fully address diversity requirements; and
- 3) identify the corrective actions and controls it will implement to ensure future compliance with diversity requirements.

KCCU-FM Response:

In response to our draft report, KCCU updated its Diversity statement to reflect progress made toward its diversity goals over the last two to three years. Further, KCCU management intends to maintain proof of annual reviews of the statement by the Board or licensing official.

OIG Review and Comment:

Based on KCCU-FM's response to the draft report, we consider our recommendation resolved but open pending CPB's management decision accepting the station's corrective actions to ensure future compliance.

**Summary of KCCU-FM Website Review
as of April 3, 2023**

Requirements	Met	Partially Met	Not Met
1) Seven-day advance notice of governing body meeting: (Board of Education Minneapolis Public Schools)			
a) available on website	X		
b) available by other means			
2) Seven-day advance notice of board committee meetings:	N/A		
a) available on website			
b) available by other means			
3) Seven-day advance notice of CAB meetings:			
a) available on website	N/A		
b) available by other means			
4) If closed meetings were held, was documentation prepared explaining the basis for closing meeting in accordance with the Act:	N/A		
a) available on website			
b) available at central office			
5) If closed meeting documentation was prepared, was it available within 10-days of the closed meeting	N/A		
6) Most recent AFR available on website			X
7) Most recent audited financial statements on website	X		
8) Senior/executive management information on website	X		
9) Governing body members on website	X		
10) CAB members on website	N/A		
11) Diversity Statement		X	
A. Diversity Statement is available to the public on:			
i. on website			
ii. at central office	x		
B. Annual review of Diversity Statement and statement available to public reflects current goals.	x		
C. Diversity Statement is approximately 500 words.	x		
D. The Diversity Statement reflects each of the following points			
i. the elements of diversity that Grantee finds important to its public media work;	x		
ii. the extent to which Grantee's staff and governance reflect such diversity;	x		
iii. the progress Grantee has made to increase its diversity in the last two to three years; and			x
iv. the Grantee's diversity plans for the coming year	x		

Exhibit A (continued)**Summary of KCCU-FM Website Review
as of April 3, 2023**

Requirements	Met	Partially Met	Not Met
E. Does the station's management annually review with the Governing Board or licensing official the diversity goals and revisions?			x
12) Grantee's annual report on local content and services included in the grantee's current 2022 SAS on its content and services that serve local needs; and analysis about the reach and impact of the local services in its community.			
i. on website			
ii. at central office	X		

Legend: X designates that the 12 requirements tested were met, partially met, or not met.

x designates that the 5 sub-components of the CPB Diversity Statement requirements were met or not met.

Background

KCCU-FM, Lawton, Oklahoma, is a public broadcasting station licensed to Cameron University. According to the KCCU-FM website, the station began broadcasting as a non-profit classical music station in 1989. As the station's support and reputation grew, programming grew to include jazz, variety shows, and National Public Radio news. Further, KCCU-FM provides Cameron University broadcast students with internship and scholarship opportunities.

CPB's Community Service Grant Program

The Act provides that specific percentages of the appropriated funds CPB receives annually from the United States Treasury must be allocated and distributed to licensees and permittees of public TV and radio stations. CPB distributes these funds through its CSG program. Grant award amounts are based in part on the amount of Non-Federal Financial Support (revenues) claimed by all stations on their AFRs and Financial Summary Reports (FSR) submitted to CPB.

In addition to the annual filing of a station's AFR(s) or FSR for radio and/or television, the chief executive of the station and a licensee official annually certify to CPB the station's compliance with Act requirements and selected General Provisions requirements in the legal agreement awarding the station CSG funds.

These certifications specifically address Open and Closed Meetings, Open Financial Records, Community Advisory Board, CPB Employment Statistical Report, and Donor information requirements under Section IV Communications Act Compliance of the agreement. Station officials responsible for closed meetings and the CPB Employment Statistical Report requirements are identified in the grant agreement. The certification also includes Website Postings Required under Section V. Selected General Provisions Requirements of the agreement.

Scope and Methodology

We performed an evaluation of KCCU-FM's compliance with selected CSG provisions of the Act and grant certification requirements. Our specific objectives were to verify compliance with selected Act requirements for open and closed meetings and open financial records, as well as Radio Community Service Grants General Provisions and Eligibility Criteria for diversity and transparency. The scope of the evaluation included review of the information posted on the station's website as of April 3, 2023, as well as information provided in response to our Preliminary Observations issued on April 14, 2023.

We reviewed documents supporting the station's compliance with the Act requirements to provide advance notice of public meetings, notice of closed meeting reasons, and make financial information available to the public. We also reviewed the station's website and processes to determine its compliance with CPB's diversity and transparency requirements for eligibility. We informed station management of our evaluation on April 14, 2023, and we requested additional information to support the station's compliance, including as applicable transparency information maintained at its central office for documents that was required to be made available to the public at its central office if not posted on its website. Additionally, we requested station management to complete a Diversity Questionnaire to obtain information on the station's actions to annually review and update its Diversity Statement in compliance with CPB requirements.

We also reviewed CPB's Integrated Station Information System (ISIS) to determine if the evaluated information made available to the public was the most recent information submitted to CPB. In addition, we verified with station management that board and management listings posted to its website were current.

Our fieldwork was conducted in April 2023 and our evaluation was performed in accordance with the Council of the Inspectors General on Integrity and Efficiency *Quality Standards for Inspection and Evaluation*.

June 9, 2023

Office of the Inspector General
401 Ninth Street, NW
Washington, DC 20004-2129

Subject: Response to KCCU-FM Compliance with Selected Communications Act, Diversity, and
Transparency Requirements

Dear Bill and Kimberly,

KCCU Management plans to maintain proof that it annually reviews its Diversity Statement with our licensing official concerning diversity goals and revisions. We will also clearly reflect in our Diversity Statement the progress made within the last two to three years to increase our diversity (updated Diversity Statement attached).

Also, in order to make sure KCCU complies with the Open Financial Records Act, KCCU Management plans to have more than one person review our website to make sure all financial records are posted in a timely manner and that they are in correct position.

KCCU Management is thankful for the opportunity to correct these matters and will work diligently to ensure compliance in the future.

Kindest Regards,

A handwritten signature in black ink, appearing to read "Cynthia Sosa", with a stylized flourish at the end.

Cynthia Sosa
KCCU Interim General Manager

KCCU Diversity Statement

September 30, 2022

(revised June 9, 2023)

KCCU is a not-for-profit educational station licensed to <http://www.cameron.edu>. KCCU is a department of Cameron University under the Senior Director of Public Affairs, who reports to the President of the University. Cameron University is an accredited university that operates under The University of Oklahoma [Board of Regents \(ou.edu\)](http://www.ou.edu). As a department of Cameron University, KCCU cannot set a diversity policy.

The Regents Policy Manual (<https://www.ou.edu/regents/policy>) for The University of Oklahoma addresses Diversity in Section 3.2. The policy manual states that diversity is one of the strengths of our society and a responsibility we all must share.

KCCU's governing board is The University of Oklahoma Board Of Regents. As such, they are appointed by the governor and the state senate. KCCU has no control over the makeup of the governing board.

KCCU (and Cameron University) feel that providing content to a diverse audience is one of our primary missions. KCCU offers news, classical music programming, jazz, Native American programming, news from Europe, science programs and even a program about cooking as part of our regular weekly broadcast schedule.

KCCU strives to reflect the diversity of our communities. Lawton, Oklahoma, where the studios of KCCU are located, was built on ancestral lands of the Comanche, Kiowa and Apache tribes. The headquarters of the Comanche Nation are located in Lawton, Oklahoma. Because of our area's Native American heritage and the large military population, many diverse cultures are represented in southwest Oklahoma and western north Texas.

Three of the four population areas we serve are home to military bases including Ft. Sill, Altus AFB and Sheppard AFB. Ft Sill at any given time is not only home to basic trainees, but also trains army officers from around the globe. Ft Sill is home to the US Army Field Artillery School, Air Defense Artillery School, Basic Officer Leaders Course, Ft. Sill NCO Academy and Basic Training.

KCCU's staff from August 2022-September 2022, was comprised of five full-time employees and two contract engineers. Within the station unit, the General Manager was white male; identified as possessing a disability; the Station Manager/Operations Director is African-American female; our Development Director is white female; our News Director is white female, all born between the 1950's through the 1990's. Our contract engineers are white males.

Some of our staff members come from military families. Members of our staff have lived everywhere from Anchorage Alaska, to Germany. We have members of our staff who grew up here in southwest Oklahoma. We have staff members with disabilities and we have staff members who have family members with disabilities. KCCU also has broadcasting students using our facilities who write copy and produce audio for the station.

In non-pandemic years, KCCU is a proud Media Sponsor of the Lawton International Festival. We participate in the opening ceremony, the Parade of Nations. The Immigration and Naturalization Service holds its Citizenship Naturalization Ceremony. KCCU staffs a booth at the festival.

As our pledge to diversity, KCCU will undertake one of the following initiatives on an annual basis:

- Include individuals representing diverse groups in internships or work-study programs designed to provide meaningful professional level experience in order to reflect the diversity of the communities they serve and further public broadcasting's commitment to education;
- Participate in job fairs that promote diversity;
- Implement formal diversity training programs for management and appropriate staff; or
- Offer programs that are more reflective of our diverse community.

KCCU has striven to undertake at least one of our initiatives each year. In the last 2-3 years, our staff has taken online diversity training courses (certificates of completion are on file); participated in our communities International Festival by being on-site with a booth, by interviewing participants, and by providing Public Service Announcements (PSA's) about this event. Our staff has also done interviews and Public Service Announcements (PSA's) with the diverse people offering a variety of events taking place in our community.

In January 2014, KCCU began offering programming for our Native American audience. We have since added additional Native American programs. We air *National Native News* weekday evenings; *American Indian Living* Saturdays; at noon (a show that deals with Native American Health Issues) and *Native America Calling* Sunday afternoons.

KCCU also gives annual station tours to Leadership Lawton/Fort Sill a diverse group of community leaders; to local Boy Scouts of America troops; and to Open Doors (Educational Talent Search) a program that provides postsecondary information, personal counseling, career development, and academic support to students from our local school system in grades 6-12.

Going forward, KCCU management and staff plan to continue to implement at least one more of our initiatives each year and participate in diverse opportunities as they present themselves.