



September 25, 2024

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: 2024.09.25
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Subject: Evaluation of KIOS-FM, Douglas County School District 0001, Compliance with
Selected Communications Act and General Provisions Transparency Requirements,
Report No. ECR2415-2416

We have completed an unannounced evaluation of compliance with selected requirements of the 2024 Corporation for Public Broadcasting (CPB) Community Service Grant (CSG) awarded to KIOS-FM Public Radio, licensed to Douglas County School District 0001, Omaha, Nebraska. Our specific objectives were to verify compliance with 11 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 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 KIOS-FM's website on July 11, 2024, and the station's response to our preliminary observations, we found the station was compliant with three of the six applicable requirements. The station was not compliant with three requirements. The remaining five requirements were not applicable.

Specifically, we found that KIOS-FM did not:

- provide advance notice of open meetings of the station's governing body, the Board of Education of Douglas County School District 0001 (Board of Education);
- post its most CPB Annual Financial Report (AFR) on its website; and
- post the Board of Education board members on its website.

In response to our Preliminary Observations, issued on July 23, 2024, station management took immediate corrective action by inserting a new link on its website to the Board of Education website where notice of upcoming open Board of Education meetings is posted, posting its most recent AFR on its website, and listing the current members of the Board of Education on the station's website.

We recommend that CPB require KIOS-FM to identify the corrective actions and controls it will

implement to ensure future compliance with Act and General Provisions transparency requirements for:

1. advance notice of open meetings of the station's governing body;
2. open financial records; and
3. making the Board of Education board members available on the station's website.

In response to the draft report, KIOS-FM management noted the corrective actions and controls taken by the station and school district to ensure on-going compliance. As of July 24, 2024, the station updated its website to include a link to the Board of Education webpage where meeting information is posted; posted its most recent CPB AFR to its website; and posted a current listing of the governing board members on its website. The station's response to the draft report is presented in Exhibit D.

After receiving the station's response on September 6, 2024, we consider recommendations one, two and three resolved but open, pending CPB's final management decision to accept 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*. We have summarized our KIOS-FM website review on Exhibit A, provided background on KIOS-FM and the CSG program on Exhibit B, and provided our evaluation scope and methodology on 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 Accountability

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 Committee on Labor-HHS-Education Subcommittee

U.S. House of Representatives Committee on Appropriations

U.S. House of Representative Labor-HHS-Education Appropriations Subcommittee

FINDINGS AND RECOMMENDATIONS

I. ACT AND GENERAL PROVISIONS COMPLIANCE

Advance Notice of Public Meetings

At the time of our initial examination, on July 11, 2024, we found that KIOS-FM was not compliant with Act requirements for advance notice of open Board of Education meetings. The station did not post advance notice of Board of Education meetings on the station's website.

In response to the Preliminary Observations, dated July 23, 2024, the station responded that upcoming Board of Education meetings could be found on the Omaha Public Schools website that was linked in the footer on the station's website. The station's website did not identify that the Board of Education was the station's governing board. Further, this link was hard to identify with a small icon font for the Omaha Public Schools. This icon was posted along with icons for various national public broadcasting organizations and CPB in the footer section of the webpage.

The link to the Omaha Public Schools went to the general Board of Education webpage and not to the upcoming board meetings page or to the page identifying the Board of Education members. As a result, we concluded that the station was not compliant with the advance notice of open board meetings requirement.

The Act requires that stations make reasonable advance notice of open meetings to the public. Further, CPB's General Provisions and Eligibility Criteria requirements clarify that stations may satisfy the reasonable notice requirement by doing the following:

- A. **Open Meetings:** Meetings of Grantee's governing body, its committees and CAB must be open to the public (47 U.S.C. 396 (k)(4)). In addition, CPB requires Grantee to give at least seven days advance notice of meetings, including the time and place, by:
 - 1. posting notice on the station's website;
 - 2. broadcasting notice on-air between 6 a.m. and 11 p.m., as shown by station's log;
 - 3. placing notice in the "Legal Notices" section of a local newspaper in general circulation in the station's primary coverage area; or
 - 4. giving notice through recorded announcement accessible on the station's phone system.

2024 Radio Community Service Grants General Provisions and Eligibility Criteria, Section 2. Communications Act Requirements.

The station's signed the CSG 2024 agreement certifying that it provides advance notice of board meetings by placing advance notice on the website. Licensee officials also signed the 2024 CSG agreement and certifications of eligibility, evidencing their understanding that meetings of the grantee's governing body are open to the public and that seven days' advance notice is given.

In response to our Preliminary Observations, the station updated its website to link to the Board webpage for upcoming meetings as well as minutes of past meetings. We confirmed that the Board of Education meetings webpage was linked on the station's website on July 30, 2024.

KIOS-FM was not fully compliant with CPB CSG General Provisions transparency requirements at the date of our review and may be subject to penalties under CPB's CSG Non-compliance policy.

Recommendation

We recommend that CPB management require KIOS-FM to:

- 1) identify the corrective actions and controls it will implement to ensure the public understands that station business is discussed at all of the Board of Education's meetings (e.g., budget related items as part of organizational claims reports).

KIOS-FM Response

In their response to our draft report, KIOS-FM management stated the corrective actions and controls taken by the station and school district to ensure on-going compliance. As of July 24, 2024, the station updated its website to include a link to the Board of Education webpage where meeting information is posted which includes dates, time, and location of each meeting. Management stated that meeting information is posted by the District Communications Department at least one month before a scheduled meeting. Management further stated that KIOS-FM reports to the Chief Officer of the District Communications Department, who will assist in ensuring continued compliance with advance meeting requirements.

OIG Review and Comment

We reviewed the station's website on July 30, 2024, and verified that the station's website had a link to the Board of Education webpage where meeting information was posted. Therefore, we consider recommendation one resolved but open pending CPB's management decision accepting the station's corrective actions to ensure future compliance.

Open Financial Records

We found that KIOS-FM was not fully compliant with Act and General Provisions requirements for making open financial records available to the public. On the date of our review on July 11, 2024, no AFRs were posted to the station's website.

The station's most recent AFR for FY 2023 was submitted to CPB on April 11, 2024, and was approved by CPB on July 1, 2024. The prior year's FY 2022 AFR was not posted to the station's website either, evidencing the station's lack of compliance with this requirement.

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 pursuant to subsection (l)(3)(B) of this section.

The Act, 47 U.S.C. Section 396 (k)(5).

B. Documents for Public Inspection: Website Posting Required: At a minimum, each Grantee must post the following for public inspection on its station website ...

4. The most recent financial records (audited or unaudited financial statements and the AFR or FSR) as required by Section 2(C), Communications Act Requirements.

2024 Radio Community Service Grants General Provisions and Eligibility Criteria, Section 9. Transparency.

In the station's response to our Preliminary Observations, the station's General Manager advised us that the AFR had not been posted to the website because of a misunderstanding that the annual Audited Financial Statements would suffice for CPB. The station took immediate corrective action and posted its most recent FY 2023 AFR to its website on July 24, 2024. We confirmed the station's most recent AFR was subsequently posted to the station's website on July 30, 2024.

The station was not compliant with CPB's General Provisions requirements for open financial records on the date of our review and may be subject to penalties under CPB's Non-Compliance Policy.

Recommendation

We recommend that CPB management require KIOS-FM to:

- 2) identify the corrective actions and controls it will implement to ensure future compliance with Act and General Provisions requirements for making financial information available to the public.

KIOS-FM Response

In their response to our draft report, KIOS-FM management stated the station had now posted its most recent AFR on its website. Management further stated that going forward the AFR will be regularly updated on its website as it becomes available following approval and that more than one individual on the KIOS-FM staff will be responsible for continued compliance.

OIG Review and Comment

We reviewed the station's website on July 30, 2024, and verified that the station's most recent AFR (2023) was posted to the website. Therefore, we consider recommendation two resolved but open pending CPB's management decision accepting the station's corrective actions to ensure future compliance.

II. GENERAL PROVISIONS TRANSPARENCY COMPLIANCE

The station listed the names of its station staff and executive management on its website. However, it did not list the names and titles of its governing body, the Board of Education members, on its website. The station noted that the names and biographies of current Board of Education members could be found on the Omaha Public Schools website that was linked in the footer on the station's website. However, because the link went to the general webpage and the station's website did not identify the Board of Education as the station's governing body to inform the public, we concluded that the station was not compliant with the transparency requirement.

CPB's General Provisions contain specific transparency requirements for making information available to the public and require certain documents be made available on the station's website:

- A. **Public Inspection of Documents and Website Posting:** To ensure transparency and public confidence in the use of CPB funds, the Communications Act requires Grantees to make certain documents available for public inspection. As set forth below, CPB also requires public access to other documents, and specifies how all documents must be made available for inspection, either by maintaining them at Grantee's office or by posting them on its station website....
- B. **Documents for Public Inspection: Website Posting Required:** At a minimum, each Grantee must post the following for public inspection on its station website: ...

- 2. **Governing Body:** A list of the members of its governing body;

CPB 2024 Radio CSG General Provisions and Eligibility Criteria, Section 9 Transparency.

In response to our Preliminary Observations, the station added a listing of the current Board of Education members to its website, along with a link to the Board of Education website that includes photos and biographies for each member. We confirmed that the Board of Education members were now listed and linked on the station's website on July 30, 2024.

KIOS-FM was not fully compliant with CPB CSG transparency requirements at the date of our review and may be subject to penalties under CPB's CSG Non-compliance policy.

Recommendation

We recommend that CPB management require KIOS-FM to:

- 3) identify the corrective actions and controls it will implement to ensure future compliance with CPB's General Provisions requirements for transparency.

KIOS-FM Response

In response to our draft report, KIOS-FM management stated that the present members of the Board of Education were posted on the station's website. Management further stated that going forward the station staff would be working closely with District Communications to ensure any changes will be promptly made on the station's website.

OIG Review and Comment

We reviewed the station's website on July 30, 2024, and verified that the list of Board of Education members was posted to the station's website. We consider recommendation three resolved but open pending CPB's management decision accepting the station's corrective actions to ensure future compliance.

**Summary of KIOS-FM Website Review
as of July 11, 2024**

Requirements	Met	Not Met
1) Seven-day advance notice of governing body meeting:		
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:	N/A	
a) available on website		
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 or FSR 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) Grantee's annual report on local content and services included in the grantee's current 2023 SAS on its content and services that serve local needs; and analysis about the reach and impact of the local services in its community.		
a) available on website	X	
b) available at central office		

Background

KIOS-FM is Omaha Public Radio. KIOS is governed by the Board of Education of Douglas County School District 0001. As stated on the station's website, the station provides programming that cannot be found on commercial radio and serves as the educational extension of Omaha Public Schools. Along with locally produced shows, KIOS-FM broadcasts programming from National Public Radio, American Public Media, and Public Radio International. The station's mission is "to empower our community with quality, local, national, and global content that challenges and connects people, and furthers a deeper understanding of events, ideas, and cultures."

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. Each year CPB awards CSG grants to public TV and radio stations based in part on the amount of Non-Federal Financial Support (revenues) claimed by all stations on their Annual Financial Report (AFR) or Financial Summary Report (FSR) submitted to CPB. The CSG calculation process starts with separate amounts appropriated for the TV and radio CSG pools, adjusted by base grants and supplemental grants. The funds that remain are called Incentive Grant Pools; one is for TV and the other for radio.

In addition to the annual filing of the station's AFR or FSR for radio and/or television, the chief executive of the station and a licensee official 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; 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. Additionally, the certification also addresses Website Postings Required under Section V. Selected General Provisions Requirements of the agreement.

Scope and Methodology

We performed an evaluation of KIOS-FM's compliance with selected 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 2024 Radio Community Service Grants General Provisions and Eligibility Criteria for Transparency. The scope of the evaluation included reviews of the information posted on the station's website as of July 11, 2024, as well as information provided in response to our Preliminary Observations issued on July 23, 2024.

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 transparency requirements for eligibility. We informed station management of our evaluation on July 23, 2024, 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.

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.

We conducted our fieldwork from July 11 through July 30, 2024 and performed our evaluation in accordance with the Council of the Inspectors General on Integrity and Efficiency *Quality Standards for Inspection and Evaluation*.



91.5 OMAHA PUBLIC RADIO

kios.org
531.299.0299

3230 Burt Street
Omaha, NE 68131

September 6, 2024

To: William Richardson III, Deputy Inspector General, Corporation for Public Broadcasting

Cc: Kimberly Howell, Inspector General, Corporation for Public Broadcasting,
Julia Stancil, Senior Team Leader, Office of Inspector General, Corporation for Public Broadcasting

Re: Evaluation of KIOS-FM, Douglas County School District 001, Compliance with Selected
Communications Act and General Provisions Transparency Requirements, Draft Report
No. ECR2415-XXXX

Dear Mr. Richardson,

Thank you for the follow-up evaluation of the KIOS-FM compliance with selected Communications Act and General Provisions transparency requirements. As previously mentioned, KIOS-FM and Douglas County School District 001, its licensee, take compliance and transparency very seriously. Attached you will find our response to the corrective actions taken by the station and school district to ensure on-going compliance.

KIOS-FM and Douglas County School District 001 also understand that the Inspector General's final report will be made publicly accessible on the Inspector General's website, and we choose not to have any information or data redacted.

Thank you all for your work providing critical financial support for Public Media.

Sincerely,

Ken Dudzik
General Manager, KIOS-FM



91.5 OMAHA PUBLIC RADIO

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KIOS-FM Corrective Actions and Controls

1. Advance notice of open meetings of the station's governing body.

Effective 7/24/24, KIOS-FM has placed a direct link on its website "About" page to Douglas County School District 001 meeting information which includes dates, time, and location of each meeting. These meetings are posted by the District Communications Department at least one month before a scheduled meeting. KIOS-FM reports to the Chief Officer of the District Communications Department, who will assist in ensuring continued compliance in this area.

2. Open financial records, posting its most recent CPB Annual Financial Report (AFR)

Effective 7/24/24, KIOS-FM has placed its most recent AFR on the station's website, www.kios.org. Like the station's Audited Financial Statement, this report will be regularly updated on the website as it becomes available following approval. More than one individual on the KIOS staff will help ensure continued compliance in this area.

3. Making the Board of Education board members available on the station's website.

Effective 7/24/24, the present members of the Board of Education for Douglas County School District 001 were placed on the KIOS-FM website. As updating the list is needed, KIOS staff will work closely with District Communications to ensure all changes have been made to the station website promptly.