



Corporation
for Public
Broadcasting

Office of the Inspector General

**AUDIT OF COMMUNITY SERVICE AND OTHER GRANTS
AWARDED TO WDCQ-TV, LICENSED TO DELTA COLLEGE,
UNIVERSITY CENTER, MICHIGAN
FOR THE PERIOD JULY 1, 2022 THROUGH JUNE 30, 2024**

REPORT NO. AST2512-2517

September 18, 2025



Report in Brief

*Audit of Community Service and Other Grants Awarded to WDCQ-TV,
Licensed to Delta College, University Center, Michigan,
for the Period July 1, 2022 through June 30, 2024*

What We Found

We found that WDCQ-TV complied with CPB grant and Communications Act requirements except it:

- overstated NFFS associated with claimed revenues totaling \$130,516, which resulted in CSG overpayments of \$8,357; and
- did not fully comply with Communications Act and General Provisions and Eligibility requirements for the public's advance notice of open meetings for the audit committee of the Board of Trustees.

In response to our draft report, WDCQ-TV acknowledged that electricity and insurance costs were claimed as NFFS in the General Fund appropriation and were also included in the Physical Plant Support claimed as NFFS as indirect costs. Station management also stated they believe that they are calculating the indirect costs correctly and annually made CPB officials aware during its desk review that they claimed electricity and insurance as direct appropriations, therefore they understood that they were reporting correctly. Regarding the advance notice finding, WDCQ-TV agreed that they did not notify the public in advance of upcoming audit committee meetings as required by the Act.

What We Recommend

We recommend that CPB management require WDCQ-TV to:

- repay \$8,357 of CSG overpayments based on overreported NFFS for FY 2023; and
- provide 7-day advance notice for future audit committee meetings that discuss public broadcasting business.

We performed this audit based on our annual audit plan.

Our objectives were to determine whether WDCQ-TV: a) claimed Non-Federal Financial Support (NFFS) on its Annual Financial Reports (AFRs) in accordance with CPB Financial Reporting Guidelines; b) expended grant funds in accordance with grant agreement requirements; and c) complied with the Certification of Eligibility requirements and the statutory provisions of the Communications Act of 1934.

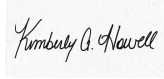
This report contains the conclusions of the Office of the Inspector General. CPB will make the final decision on our findings and recommendations.



Office of the Inspector General

Date: September 18, 2025

To: Donna Joe, Vice President and Deputy General Counsel
Kathy Merritt, Executive Vice President and Chief Operating Officer

From: Kimberly A. Howell, Inspector General  Digitally signed by
Kimberly Howell
Date: 2025.09.18
18:52:30 -04'00'

Subject: Audit of Community Service and other Grants Awarded to WDCQ-TV, Licensed to Delta College, University Center, Michigan, for the Period July 1, 2022 through June 30, 2024, Report No. AST2512-2517

Enclosed please find our final report which contains our findings and recommendations. The Corporation for Public Broadcasting (CPB) officials must make a final management decision on the findings and recommendations in accordance with established audit resolution procedures and its guidance issued to all CSG recipients on August 25, 2025, on Community Service Grants.

We will post this report to the Office of the Inspector General's website and [Oversight.gov](https://www.oversight.gov) and distribute it to the appropriate Congressional committees as required by the Inspector General Act of 1978, as amended. Please refer any public inquiries about this report to CPB.

Enclosure

cc: Ruby Calvert, Chair, CPB Board of Directors
Elizabeth Sembler, Vice Chair, 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 Labor-HHS-Education Appropriations Subcommittee
U.S. House of Representatives Committee on Appropriations
U.S. House of Representatives Labor-HHS-Education Appropriations Subcommittee

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EXECUTIVE SUMMARY

We have completed an audit of the Corporation for Public Broadcasting (CPB) grants awarded to Delta College Public Media, WDCQ-TV, licensed to Delta College. The grants reviewed included Television Community Service grants (CSG) and Interconnection grants for the period July 1, 2022 through June 30, 2024. Our objectives were to examine WDCQ-TV's certifications of compliance with CPB grant terms to: a) claim Non-Federal Financial Support (NFFS) on its Annual Financial Reports (AFRs) in accordance with CPB Financial Reporting Guidelines (Guidelines); b) expend grant funds in accordance with grant agreement requirements; and c) comply with the Certification of Eligibility requirements and the statutory provisions of the Communications Act of 1934, as amended (Act).

Based on our audit, WDCQ-TV complied with CPB grant and Act requirements, except for the following:

- overstated NFFS associated with claimed revenues totaling \$130,516, which resulted in CSG overpayments of \$8,357, which will be reported as funds put to better use; and
- did not fully comply with Communications Act and General Provisions and Eligibility requirements for the public's advance notice of open meetings for the Audit Committee of the Board of Trustees.

We recommend that CPB require WDCQ-TV to:

- repay \$8,357 of CSG overpayments based on overreported NFFS for FY 2023; and
- provide 7-day advance notice for future audit committee meetings that discuss public broadcasting business.

In response to our draft report, WDCQ-TV acknowledged that electricity and insurance costs were claimed as NFFS in the General Fund appropriation and were also included in the Physical Plant Support claimed as NFFS as indirect costs. They also stated that they believe that they are calculating the indirect costs correctly and annually made CPB officials aware during its desk review that they claimed electricity and insurance as direct appropriations, therefore they believed that they were reporting correctly. Regarding the advance notice finding, WDCQ-TV agreed that they did not notify the public in advance of upcoming audit committee meetings as required by the Act.

Based on Delta College management's response to the draft audit report, we consider both recommendations unresolved and open pending CPB's final management decision resolving the audit findings.

This report presents the conclusions of the Office of the Inspector General (OIG) and the findings do not necessarily represent CPB's final position on the issues. While we have made

recommendations that are appropriate to resolve the findings, CPB officials will make final determinations on our findings and recommendations in accordance with established CPB audit resolution procedures and its guidance issued to all CSG recipients on August 25, 2025, on Community Service Grants.

We performed this audit based on the OIG's annual audit plan objective to audit multiple television and/or radio stations. We conducted our audit in accordance with *Government Auditing Standards* for attestation examination engagements. Our scope and methodology are discussed in Exhibit D.

BACKGROUND

Delta College Public Media's WDCQ-TV is a public broadcasting station licensed to Delta College, a community college located at University Center, Michigan. According to its financial statement audit, WDCQ-TV is operated as a separate organizational unit of Delta College.

According to the station's website, Delta College Public Media provides a vital service to Michigan's Great Lakes Bay Region, Flint, and the Thumb. An essential part of Delta College's educational mission, the station has provided community-supported media to inform and entertain since 1964. Its mission is to educate, inform, and inspire through commercial-free television and other media, touching the lives of all mid-Michigan citizens by providing quality programming and services.

According to its website, WDCQ-TV became the first public TV station in Michigan to transmit a 100 percent digital signal. This allowed the station to broadcast multiple channels: Today's PBS Channel, the Delta Learning Channel, the Enrichment Channel, and the Children's Channel.

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. After funds are designated as either TV or radio funds, the funds are placed in the appropriate CSG grant pool for distribution to eligible stations.

Each year CPB awards CSG grants to public TV and radio stations based in part on the amount of NFFS claimed by all stations on their AFRs. 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 the Incentive Grant Pools; one is for TV and the other is for radio.

The Incentive Rate of Return (IRR) is separately calculated for television and radio grantees. This is done by dividing the Incentive Grant Pools by the total adjusted NFFS claimed by all television grantees for the television IRR and by all radio grantees for the radio IRR. The IRR is then multiplied by each grantee's adjusted NFFS in various tiers to calculate the incentive award

amount of its total CSG. There is a two-year lag between the reported NFFS and CPB's calculation of the fiscal year's (FYs) CSG amount. For example, CPB used the NFFS reported by the stations on their FY 2023 AFRs to determine the amount of the TV and Radio CSG funds the stations were awarded for FY 2025.

As shown in Exhibit A, WDCQ-TV received CSG, Interconnection, and Universal Service Support grant funds from CPB totaling \$1,838,677 for FYs 2023 and 2024. WDCQ-TV reported NFFS of \$3,734,478 (FY 2023 - \$1,804,381; FY 2024 - \$1,930,097) as shown in Exhibit C. Audited financial statements for the stations reported total revenues of \$6,065,375 for the two years audited (FY 2023 - \$2,851,282; FY 2024 - \$3,214,093). WDCQ-TV's fiscal year begins on July 1 and ends on June 30.

RESULTS OF AUDIT

In our opinion, except for the noncompliance issues described below, WDCQ-TV complied with the requirements in the following paragraph for the FY 2023 and FY 2024 grant funds examined in WDCQ-TV's FY 2023 and FY 2024 AFRs which are presented in Exhibit B.

We examined WDCQ-TV management's assertions of compliance with CPB grant requirements: a) CSG Certification of Eligibility; b) CSG Legal Agreement; and c) AFR Signature Page. The CSG Certification of Eligibility includes: WDCQ-TV's certification of compliance with AFR/NFFS reporting in accordance with CPB's Guidelines; Communications Act requirements for open meetings, open financial records, Equal Employment Opportunity (EEO) reporting and donor lists; use of CPB funds; and discrete accounting requirements. Station management is responsible for their assertions of compliance. Our responsibility is to express an opinion on management's assertions about the station's compliance based on our examination.

Based on our audit, we found that WDCQ-TV complied with Communications Act and CPB grant eligibility requirements, except for the following:

- overstated NFFS associated with claimed revenues totaling \$130,516, which resulted in CSG overpayments of \$8,357, which is reported as funds put to better use;
- did not fully comply with Communications Act and General Provisions and Eligibility requirements for the public's advance notice of open meetings for the audit committee of the Board of Trustees.

Our audit was conducted in accordance with the *Government Auditing Standards* for attestation examination engagements and accordingly included examining, on a test basis, evidence about WDCQ-TV's compliance with CPB's requirements, and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. However, it does not provide a legal determination on WDCQ-TV's compliance with specified requirements.

FINDINGS AND RECOMMENDATIONS

I. INELIGIBLE REVENUE CLAIMED AS NFFS

Our audit testing found net overstated NFFS totaling \$130,516 for FYs 2023 and 2024. This overstatement resulted in FY 2025 CSG overpayments of \$8,357 as itemized in the following table. We classified the net NFFS overpayments for FY 2023 as funds put to better use for reporting purposes because the funds overpaid to WDCQ-TV could have been distributed to other public broadcasting entities. We are not reporting potential CSG overpayments or funds put to better use for overstated NFFS reported for FY 2024 due to the cessation of CPB funding.

Overstated NFFS

Condition	Overstated NFFS 2023	Overstated NFFS 2024	Total Overstated NFFS
Duplicated Electricity and Insurance Expense	\$ 61,529	\$ 66,532	\$ 128,061
Overstated Indirect Costs	\$ 786	\$ 1,669	\$ 2,455
Net Overstated NFFS	\$ 62,315	\$ 68,201	\$ 130,516
FY 2025 IRR Is Used to Identify CSG Overpayments based on FY 2023 NFFS	0.1341081708		
CSG Overpayments	\$ 8,357		\$8,357

Duplicated Donated Electricity and Insurance Expense

WDCQ-TV reported on Schedule A, Line 6.1.C, Appropriations from the licensee, donated electricity and insurance expenses amounting to \$61,529 and \$66,532 for FYs 2023 and FY 2024, respectively. The electricity and insurance charges were also included in Schedule B of the AFR as licensee indirect costs (physical plant) distributed to the station through the CPB standard indirect cost calculation. As shown in the criteria below, physical plant costs are defined as indirect costs under the CPB standard method indirect administrative support (IAS) instructions. Consequently, they should not have been reported as direct costs on Schedule A.

CPB's financial reporting guidelines for completing Schedule A, Direct Revenue, provide the following guidance:

Institutional stations: Use this line to report direct appropriations, transfers, and payments from the licensee, as well as any direct costs incurred or absorbed by the licensee specifically for the station...

FY 2023 and FY 2024 CPB Financial Reporting Guidelines, Part III. AFR and AFS Line Item Instructions; Completing AFR Schedule A – Direct Revenue, line item instructions for line 6.1.C.

CPB's financial reporting guidelines for completing Schedule B, Indirect Administrative Support, provide the following guidance:

- A. Licensee's Indirect Costs (Numerator): Licensee's indirect costs are the sum of its institutional and physical plant support: Institutional Support + Physical Plant Support = Indirect Costs.

FY 2023 and FY 2024 CPB Financial Reporting Guidelines, Part III, AFR and FSR line item instructions, Completing AFR Schedule B – Indirect Administrative Support, Worksheet: Standard Method, Step 1: Compute the Rate, A. Licensee's Indirect Costs (Numerator)

Delta College officials developed the institutional support and physical plant indirect cost pools that were used in developing the indirect costs allocated to the station using the CPB standard method. A Delta College financial management official agreed that the direct amounts included in the General Fund appropriation provided to WDCQ-TV as reported on Schedule A, Line 6.1.C of the AFR, were also included in the Physical Plant Support amount reported on Schedule B.

The official stated that they believe that WDCQ-TV and Delta College are calculating the indirect costs correctly; however, the official also stated that after the new IAS calculation method was implemented, they continued to include the donated direct electricity and insurance on line 6.1.C. The official further explained that every year during CPB's desk review of the AFR, the examiner asks what is included in the General Fund Appropriation on line 6.1.C. Every year, the station responds that direct electricity and insurance are included. As such, the station thought it was reporting correctly.

Claiming donated electricity and insurance both as direct costs on Schedule A and as indirect costs on Schedule B led to overstated NFFS. The duplicated electricity and insurance expense for FY 2023 in the amount of \$61,529 resulted in CSG overpayments in the amount of \$8,252 (\$61,529 x 0.1341081708). We have not calculated a potential CSG overpayment for duplicated electricity and insurance expense of \$66,532 for FY 2024 due to the cessation of CPB funding in FY 2026.

Overstated Indirect Costs

WDCQ-TV overstated FY 2023 indirect costs because the college did not revise Schedule B of the AFR to account for the restatement of Delta College's financial statements for the fiscal year ended June 30, 2023. Additionally, WDCQ-TV overstated FY 2024 indirect costs because it applied the audit-accepted indirect cost rate to overstated direct expense base costs. This issue resulted in overstated net indirect costs and NFFS of \$2,455, which resulted in a CSG overpayment of \$105 for FY 2025. There is no CSG overstatement impact for overstating FY 2024 indirect costs due to the cessation of CPB funding in FY 2026.

The overstated NFFS is summarized in the following table:

CPB OIG Indirect Costs Audit Adjustments

Description	FY 2023	FY 2024	Total
Overstated Due to Restated Financial Statements	\$786	\$0	\$786
Overstated Direct Expense Base	0	\$1,669	1,669
Total Adjustment	\$786	\$1,669	\$2,455

We found that WCDQ-TV overstated indirect costs by a total of \$2,455. For FY 2023, WCDQ-TV overstated indirect costs by \$786. It did not recalculate its indirect rate after the FY 2023 Delta College financial statements were restated for FYs 2023 and 2024. The restatements reduced the institutional support expense for 2023. We recomputed lower indirect costs for WDCQ-TV by using the lower restated institutional support expense when computing indirect costs using CPB's standard indirect expense formula.

WDCQ-TV did not revise its FY 2023 AFR to revise the amounts they reported as NFFS when the financial statements were updated. CPB guidance requires that all revenues and expenses in the Audited Financial Statements (AFS) should be reported in the AFR. The Guidelines state:

A portion of each Community Service Grant (CSG) is calculated on the recipient's non-federal financial support (NFFS). NFFS is defined in the Communications Act of 1934...and recipients report their NFFS to CPB using either an Annual Financial Report (AFR) or an annual Financial Summary Report (FSR). CPB reviews each report using the recipient's audited financial statements, or unaudited if allowed by CPB, to verify NFFS reported.

FY 2023 and FY 2024 CPB Financial Reporting Guidelines, Financial Reporting Guidelines for Preparing 2023 and 2024 Financial Reports.

For FY 2024, WDCQ-TV overstated its direct costs (adjusted operating expenses) when it expensed a high intensity aircraft warning light system that should have been capitalized according to the accounting principles. The navigational aid had a purchase price of \$9,489 with a useful life of 10 years. Using GAAP, we computed overstated operating expenses totaling \$8,540 (\$9,489 cost - \$949 first year depreciation = \$8,540). The station expensed the asset versus capitalizing and depreciating.

To calculate the impact on FY 2024 NFFS for overstating its operating expenses, we:

(1) reduced WDCQ-TV's base costs, (2) increased depreciation for the unrecognized asset following GAAP guidelines, and (3) applied the accepted college's indirect rate to the overstated base costs to compute audit determined ineligible indirect costs.

CPB's Guidelines provide the accounting principles for preparing financial statements and provide:

D. Financial Statement Requirements

When preparing their financial statements, CSG recipients must comply with Generally Accepted Accounting Principles (GAAP) and the Principles of Accounting, May 2005, or the most current edition. In the event of a conflict, GAAP will control.

FY 2023 and 2024 Guidelines, Part I, I. Financial Statements, D. Financial Statement Requirements.

CPB's Guidelines also address reporting requirements for accounting for capital investments:

Investment in Capital Assets

Grantees must report direct and indirect investments in capital assets on Lines 9a through 9c.

Line 9 - Total capital assets purchased or donated

Line 9a – Land and buildings

Line 9b – Equipment

Line 9c – All other

FY 2023 and 2024 Financial Reporting Guidelines, Part III, AFR and FSR Line Item Instructions, Schedule E, Investment in Capital Assets.

As a public college, Delta College is required to prepare its financial statements in accordance with GAAP as determined by the Governmental Accounting Standards Board (GASB). The requirements for accounting for assets are provided in GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis—For State and Local Governments. The statement indicates that equipment used in operations that have initial useful lives extending beyond a single reporting period should be capitalized. It also states that capital assets should be depreciated over their useful lives. Depreciation expense (period expense) should be measured by allocating the net cost of the asset over the life of the asset in a systematic and rational manner.

Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis—For State and Local Governments, Governmental Accounting Standards Board, paragraphs 18 through 22, June 1999.

CPB Guidelines include a worksheet with procedures for completing Indirect Administrative Support. These procedures include identifying the Station's Total Operating Expenses and making an appropriate depreciation expense adjustment to arrive at the base costs (factor) for multiplication of the indirect expense rate (factor) for computing the indirect expenses that are reportable as NFFS. The procedures state:

Worksheet: Standard Method

CSG recipients must use the Standard Method to report IAS.

To calculate IAS using the standard method, follow the five steps below, completing Schedule E before Schedule B....

Step 2: Identify the Base

The station's base is its net direct expenses.

The line item, "Station's Total Operating Expenses," is automatically populated from AFR Schedule E, Line 8.

If station's total operating expenses include the following indirect expenses, deduct them by entering these costs on the appropriate lines and provide the AFS page number(s) from which the amounts were obtained.

A. Depreciation. Depreciation and amortization.

B. In-kind Contributions and Donations. In-kind contributions and donated property and equipment reported as expenses.

C. IAS. IAS, if included in total operating expense reported in the AFS. ...

FY 2023 and 2024 Financial Reporting Guidelines, Part III, Completing AFR Schedule B – Indirect Administrative Support, Worksheet: Standard Method

A Delta College official stated that the navigational aid consisted of a light bulb that is placed on a tower, meaning that this is a replacement part. However, our market research found that the navigational aid was a unique system with a service life that covered multiple years. Additionally, the principal engineer working on the station's towers stated that the navigational aid could not be repaired and had to be replaced.

While CPB's Guidelines allow stations to use CSG funds to acquire assets, the CPB Guidelines require that stations follow GAAP when accounting for transactions and preparing their financial statements. Incorrectly expensing the navigational aid resulted in overstating operating expenses, which resulted in overstated indirect costs when using CPB's standard indirect cost formula.

Overstated indirect costs for FY 2023 in the amount of \$786 that was attributable to not accounting for restated operating expense resulted in CSG overpayments in the amount of \$105 ($\786×0.1341081708). We have not calculated a potential CSG overpayment for overstated indirect costs of \$1,669 associated with expensing a capital asset for FY 2024 due to the cessation of CPB funding in FY 2026.

Recommendation:

We recommend that CPB management require WDCQ-TV to:

- 1) repay \$8,357 in CSG overpayments.

WDCQ-TV Management Response:

In response to our draft report, the station stated the following:

Duplicated Donated Electricity and Insurance Expense

We agree that the direct amounts included in the General Fund appropriation are also included in the Physical Plant Support amount reported on Schedule B. We believe that we are calculating the indirect costs correctly, however, after the new IAS calculation method was implemented, we continued to include the direct electricity and insurance on line 6.1.C. Every year during our desk review of the AFR, CPB inquiries of what is included in our General Fund appropriation on line 6.1.C, which we indicate includes direct electricity and insurance; therefore, we were under the understanding that we were reporting correctly.

Overstated Indirect Costs

When the College's financial statements were restated for FY 2023, it was an oversight that the AFR would need to be revised. We agree with the indirect cost adjustment.

OIG Review and Comment

Based on our review of WDCQ-TV's response to the draft report, we have not revised our audit findings or revised our recommendations. The station's response did not comment on the finding associated with adjusting the FY 2024 indirect rate due to incorrectly expensing a capital asset. As a result, the recommendation addressing overstated NFFS remains unresolved and open pending CPB's management decision resolving the finding.

II. ACT AND CPB GENERAL PROVISIONS COMPLIANCE

Advance Notice of Public Meetings

We found that WDCQ-TV did not provide seven-days advance notice for the Board of Trustee's audit committee meetings. During the review of the agenda and meeting minutes for the Board of Trustees and audit committee, we found that the audit committee discussed station business, including issuing statements of work and awarding contracts for the award of financial statement audits or when requiring a change to the managing partner for Delta College, the radio station, WUCX-FM, and WDCQ-TV financial audits. Additionally, a Delta College official stated that the audit committee attends meetings with independent auditors and Delta College financial

officials to discuss the status of financial statement audits including the WDCQ-TV financial statement audits.

A representative of the Board of Trustees stated that meeting notices are posted at least 18 hours prior to the meeting in accordance with the Michigan Open Meetings Act. The official further stated that the “Meeting notices, which include the agendas, are posted at main campus in five locations, at each off-campus center, and online. In addition, notice of the meetings (including the agenda) of the meetings are sent to local media.” We were not provided with evidence that the public was notified for either of the two audit committee meetings that we reviewed or for any meetings that occurred between the audit committee, IPA, and Delta College financial officials. Further, CPB Television Community Service Grants General Provisions and Eligibility Criteria requires notifying the public of committee meetings at least seven days in advance of the meeting, compared to the 18 hours required by the Michigan Open Meetings Act.

The Act requires permittees of public broadcasting stations to hold open meetings of its governing board, any committee or such governing body or any advisory body preceded by reasonable notice to the public.

The Act further defines the term meeting:

The term ‘meeting’ means the deliberations of at least the number of members of the governing or advisory body, or committee thereof, required to take action on behalf of such body or committee where such deliberations determine or result in joint conduct or disposition of the governing or advisory body’s business, or the committee’s business, as the case may be, but only to the extent that such deliberations relate to public broadcasting.

The Act, 47 U.S.C. § 397(5).

CPB provides additional guidance:

C. Prerequisites for a “Meeting”: In order for a gathering of board, committee, or CAB members to constitute a meeting under the Act, the following is necessary:

1. The presence of a quorum; and
2. Deliberations that determine or result in joint conduct or disposition of business relating to public broadcasting.

Note that deliberations do not require any formal action or vote. Any discussion of public broadcasting issues that may influence the opinion of members makes it a meeting.

CPB’s Communications Act Compliance Guidance, 1. Open Meetings, C. Prerequisites for a Meeting. (June 2021).

The Act, 47 U.S.C. §396 (k)(4), requires that stations provide the public with reasonable advance notice of open meetings. Specifically:

Funds may not be distributed pursuant to this subsection to the Public Broadcasting Service or National Public Radio (or any successor organization), or to the licensee or permittee of any public broadcast station, unless the governing body of any such organization, any committee of such governing body, or any advisory body of any such organization, holds open meetings preceded by reasonable notice to the public.

Further, CPB requires that stations provide the public with reasonable advance notice and defines reasonable notice as seven days advance notice, as follows.

- 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 its station website;
 - 2. broadcasting notice on-air between 6 a.m. and 11 p.m., as shown by the 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 a recorded announcement accessible on the station's phone system.

CPB's Communications Act Compliance guidance, 1. Open Meetings, E. Notice of Open Meetings (June 2021). CPB Television General Provisions 2023 and 2024, Section 2.A. Open Meetings contains the same four options for advance notice of meetings.

The Delta College Board of Trustee's follows Michigan Open Meetings Act requirements to notify the public of committee meetings at least 18 hours in advance of a meeting. 18-hour notice does not meet the requirement from CPB grant provisions or CPB's explanation of the Communication Act requirements to notify the public at least seven days in advance of a meeting. Additionally, WDCQ-TV has no written policies and procedures related to Communications Act compliance. Further, responsibility for overseeing Communications Act compliance was not clearly established among various officials, including: the Delta College Office of Institutional Advancement, Delta College financial officials, Board of Trustee Officials, and WDCQ-TV station management.

As a result of not sufficiently notifying the public in advance of audit committee meetings, WDCQ-TV was not fully compliant with Act and CPB requirements during our audit period.

Subsequent to the issuance of the draft report, we learned that CPB issued guidance on August 25, 2025 to all Community Service Grants recipients regarding compliance with CSG Terms and Conditions referencing the FY 2025 CSG two-year spending period ending on September 30, 2026. CPB's guidance also stated: "Although CPB operations are winding down, your grant

agreements, as they are financed through past federal appropriations, are still subject to government auditing and congressional investigation.”

Recommendation:

We recommend that CPB management require WDCQ-TV to:

- 2) provide 7-day advance notice of future audit committee meetings discussing station business.

WDCQ-TV Management Response:

In response to our draft report, the station stated the following:

Advance Notice of Public Meetings

While the requirements of the Michigan Open Meetings Act were fulfilled, we acknowledge that the Communications Act compliance requirement was not met, due to an oversight. At the time, we did not interpret the agenda item of selecting the College’s audit firm as direct station business.

OIG Review and Comment:

Based on our review of the station’s response, we consider the recommendation unresolved and open pending CPB’s final determination resolving the finding.

EXHIBIT A**CPB Grant Payments to WDCQ-TV
July 1, 2022 – June 30, 2024**

CPB Grants	FY 2023	FY 2024	Total
TV – CSG			
Community Service	\$817,979	\$836,505	\$1,654,484
Interconnection	\$14,718	\$13,755	\$28,473
Universal Service Support	\$74,327	\$81,393	\$155,720
Total TV CSG Payments	\$907,024	\$931,653	\$1,838,677

WDCQ-TV Annual Financial Report For the Fiscal Years Ending June 30, 2023 and 2024

Schedule A
WDCQ-TV (1792)
University Center, MI

NFFS Excluded?

If you have an NFFS Exclusion, please click the "NFFS X" button, and enter your NFFS data.



Source of Income

	2023 data	2024 data
1. Amounts provided directly and indirectly by federal government agencies	\$95,626	\$95,361
A. Grants for facilities and other capital purposes	\$0	\$0
B. Department of Education	\$0	\$0
C. Department of Health and Human Services	\$0	\$0
D. National Endowment for the Arts and Humanities	\$0	\$0
E. National Science Foundation	\$0	\$0
F. Other Federal Funds (specify)	\$95,626	\$95,361
Description	Amount	
US Coast Guard	\$56,900	
FBI	\$38,461	
2. Amounts provided by Public Broadcasting Entities	\$907,024	\$931,653
A. CPB - Community Service Grants	\$892,306	\$917,898
B. CPB - all other funds from CPB	\$14,718	\$13,755
C. PBS - all payments except copyright royalties and other pass-through payments. See Guidelines for details.	\$0	\$0
D. NPR - all payments except pass-through payments. See Guidelines for details.	\$0	\$0
E. Public broadcasting stations - all payments	\$0	\$0
F. Other PBE funds (specify)	\$0	\$0
3. Local boards and departments of education or other local government or agency sources	\$0	\$0
3.1 NFFS Eligible	\$0	\$0
A. Program and production underwriting	\$0	\$0
B. Grants and contributions other than underwriting	\$0	\$0
C. Appropriations from the licensee	\$0	\$0
D. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (Radio only)	\$0	\$0
E. Gifts and grants received through a capital campaign but not for facilities and equipment	\$0	\$0
F. Other income eligible as NFFS (specify)	\$0	\$0
3.2 NFFS Ineligible	\$0	\$0
A. Rental income	\$0	\$0
B. Fees for services	\$0	\$0
C. Licensing fees (not royalties – see instructions for Line 15)	\$0	\$0
D. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (TV only)	\$0	\$0
E. Other income ineligible for NFFS inclusion	\$0	\$0
4. State boards and departments of education or other state government or agency sources	\$0	\$0
4.1 NFFS Eligible	\$0	\$0
A. Program and production underwriting	\$0	\$0

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—	B. Grants and contributions other than underwriting	\$0	\$0
—	C. Appropriations from the licensee	\$0	\$0
—	D. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (Radio only)	\$0	\$0
—	E. Gifts and grants received through a capital campaign but not for facilities and equipment	\$0	\$0
—	F. Other income eligible as NFFS (specify)	\$0	\$0
—	4.2 NFFS Ineligible	\$0	\$0
—	A. Rental income	\$0	\$0
—	B. Fees for services	\$0	\$0
—	C. Licensing fees (not royalties – see instructions for Line 15)	\$0	\$0
—	D. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (TV only)	\$0	\$0
—	E. Other income ineligible for NFFS inclusion	\$0	\$0
—	5. State colleges and universities	\$0	\$0
—	5.1 NFFS Eligible	\$0	\$0
—	A. Program and production underwriting	\$0	\$0
—	B. Grants and contributions other than underwriting	\$0	\$0
—	C. Appropriations from the licensee	\$0	\$0
—	D. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (Radio only)	\$0	\$0
—	E. Gifts and grants received through a capital campaign but not for facilities and equipment	\$0	\$0
—	F. Other income eligible as NFFS (specify)	\$0	\$0
—	5.2 NFFS Ineligible	\$0	\$0
—	A. Rental income	\$0	\$0
—	B. Fees for services	\$0	\$0
—	C. Licensing fees (not royalties – see instructions for Line 15)	\$0	\$0
—	D. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (TV only)	\$0	\$0
—	E. Other income ineligible for NFFS inclusion	\$0	\$0
—	6. Other state-supported colleges and universities	\$512,594	\$734,595
—	6.1 NFFS Eligible	\$712,423	\$739,291
—	A. Program and production underwriting	\$800	\$0
—	Variance greater than 25%.		
—	B. Grants and contributions other than underwriting	\$0	\$0
—	C. Appropriations from the licensee	\$711,623	\$739,291
—	D. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (Radio only)	\$0	\$0
—	E. Gifts and grants received through a capital campaign but not for facilities and equipment	\$0	\$0
—	F. Other income eligible as NFFS (specify)	\$0	\$0
—	6.2 NFFS Ineligible	\$-199,829	\$-4,696

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Variance greater than 25%.

— A. Rental income	\$0	\$0
— B. Fees for services	\$0	\$0
— C. Licensing fees (not royalties – see instructions for Line 15)	\$0	\$0
— D. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (TV only)	\$0	\$0
— E. Other income ineligible for NFFS inclusion	\$-199,829	\$-4,696
— Description GASB 68/75 Pension/OPEB Expense	Amount \$-4,696	

Variance greater than 25%.

— 7. Private colleges and universities	\$0	\$0
— 7.1 NFFS Eligible	\$0	\$0
— A. Program and production underwriting	\$0	\$0
— B. Grants and contributions other than underwriting	\$0	\$0
— C. Appropriations from the licensee	\$0	\$0
— D. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (Radio only)	\$0	\$0
— E. Gifts and grants received through a capital campaign but not for facilities and equipment	\$0	\$0
— F. Other income eligible as NFFS (specify)	\$0	\$0
— 7.2 NFFS Ineligible	\$0	\$0
— A. Rental income	\$0	\$0
— B. Fees for services	\$0	\$0
— C. Licensing fees (not royalties – see instructions for Line 15)	\$0	\$0
— D. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (TV only)	\$0	\$0
— E. Other income ineligible for NFFS inclusion	\$0	\$0
— 8. Foundations and nonprofit associations	\$132,739	\$156,981
— 8.1 NFFS Eligible	\$19,621	\$19,277
— A. Program and production underwriting	\$17,805	\$17,903
— B. Grants and contributions other than underwriting	\$1,816	\$1,374
— C. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (Radio only)	\$0	\$0
— D. Gifts and grants received through a capital campaign but not for facilities and equipment	\$0	\$0
— E. Other income eligible as NFFS (specify)	\$0	\$0
— 8.2 NFFS Ineligible	\$113,118	\$137,704
— A. Rental income	\$32,416	\$34,890
— B. Fees for services	\$0	\$0
— C. Licensing fees (not royalties – see instructions for Line 15)	\$0	\$0
— D. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (TV only)	\$0	\$0
— E. Other income ineligible for NFFS inclusion	\$80,702	\$102,814

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Description	Amount		
Michigan Learning Channel grant	\$94,814		
PBS Brand Refresh grant	\$8,000		
Variance greater than 25%.			
9. Business and Industry	\$265,892		\$262,128
9.1 NFFS Eligible	\$15,177		\$8,710
Variance greater than 25%.			
A. Program and production underwriting	\$15,177		\$8,450
Variance greater than 25%.			
B. Grants and contributions other than underwriting	\$0		\$260
C. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (Radio only)	\$0		\$0
D. Gifts and grants received through a capital campaign but not for facilities and equipment	\$0		\$0
E. Other income eligible as NFFS (specify)	\$0		\$0
9.2 NFFS Ineligible	\$250,715		\$253,418
A. Rental income	\$250,715		\$253,418
B. Fees for services	\$0		\$0
C. Licensing fees (not royalties – see instructions for Line 15)	\$0		\$0
D. Gifts and grants for facilities and equipment as restricted by the donor or received through a capital campaign (TV only)	\$0		\$0
E. Other income ineligible for NFFS inclusion	\$0		\$0
10. Memberships and subscriptions (net of membership bad debt expense)	\$498,506		\$511,962
10.1 NFFS Exclusion – Fair market value of premiums that are not of insubstantial value	\$31,712		\$37,329
10.2 NFFS Exclusion – All bad debt expenses from NFFS eligible revenues including but not limited to pledges, underwriting, and membership (unless netted elsewhere in Schedule A)	\$0		\$0
10.3 Total number of contributors.	3,945	2023 data 2024 data	4,203
11. Revenue from Friends groups less any revenue included on line 10	\$0		\$0
11.1 Total number of Friends contributors.	0	2023 data 2024 data	0
12. Subsidiaries and other activities unrelated to public broadcasting (See instructions)	\$0		\$0
A. Nonprofit subsidiaries involved in telecommunications activities	\$0		\$0
B. NFFS Ineligible – Nonprofit subsidiaries not involved in telecommunications activities	\$0		\$0
C. NFFS Ineligible – For-profit subsidiaries regardless of the nature of its activities	\$0		\$0
D. NFFS Ineligible – Other activities unrelated to public broadcasting	\$0		\$0
Form of Revenue	2023 data		2024 data
13. Auction revenue (see instructions for Line 13)	\$0		\$0
A. Gross auction revenue	\$0		\$0
B. Direct auction expenses	\$0		\$0

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14. Special fundraising activities (see instructions for Line 14)	\$0	\$0
A. Gross special fundraising revenues	\$0	\$0
B. Direct special fundraising expenses	\$0	\$0
15. Passive income	\$82,340	\$162,910
A. Interest and dividends (other than on endowment funds)	\$82,340	\$162,910
Variance greater than 25%.		
B. Royalties	\$0	\$0
C. PBS or NPR pass-through copyright royalties	\$0	\$0
16. Gains and losses on investments, charitable trusts and gift annuities and sale of other assets (other than endowment funds)	\$-3,817	\$50,314
A. Gains from sales of property and equipment (do not report losses)	\$0	\$0
B. Realized gains/losses on investments (other than endowment funds)	\$-24,846	\$11,510
Variance greater than 25%.		
C. Unrealized gains/losses on investments and actuarial gains/losses on charitable trusts and gift annuities (other than endowment funds)	\$21,029	\$38,804
Variance greater than 25%.		
17. Endowment revenue	\$126,168	\$88,630
A. Contributions to endowment principal	\$73,858	\$2,500
Variance greater than 25%.		
B. Interest and dividends on endowment funds	\$-32,089	\$-28,222
C. Realized net investment gains and losses on endowment funds (if this is a negative amount, add a hyphen, e.g., "-1,765")	\$6,226	\$51,074
Variance greater than 25%.		
D. Unrealized net investment gains and losses on endowment funds (if this is a negative amount, add a hyphen, e.g., "-1,765")	\$78,173	\$63,278
18. Capital fund contributions from individuals (see instructions)	\$0	\$0
A. Facilities and equipment (except funds received from federal or public broadcasting sources)	\$0	\$0
B. Other	\$0	\$0
19. Gifts and bequests from major individual donors	\$92,759	\$76,470
2023 data 2024 data		
19.1 Total number of major individual donors	36	28
20. Other Direct Revenue	\$0	\$0
Line 21. Proceeds from the FCC Spectrum Incentive Auction, interest and dividends earned on these funds, channel sharing revenues, and spectrum leases	\$0	\$0
A. Proceeds from sale in spectrum auction	\$0	\$0
B. Interest and dividends earned on spectrum auction related revenue	\$0	\$0
C. Payments from spectrum auction speculators	\$0	\$0
D. Channel sharing and spectrum leases revenues	\$0	\$0
E. Spectrum repacking funds	\$0	\$0

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22. Total Revenue (Sum of lines 1 through 12, 13A, 14.A, and 15 through 21)	\$2,789,831	\$3,071,004
Adjustments to Revenue		
	2023 data	2024 data
23. Federal revenue from line 1.	\$95,626	\$95,361
24. Public broadcasting revenue from line 2.	\$907,024	\$931,653
25. Capital funds exclusion—TV (3.2D, 4.2D, 5.2D, 6.2D, 7.2D, 8.2D, 9.2D, 18A)	\$0	\$0
26. Revenue on line 20 not meeting the source, form, purpose, or recipient criteria	\$0	\$0
27. Other automatic subtractions from total revenue	\$276,298	\$588,421
A. Auction expenses – limited to the lesser of lines 13a or 13b	\$0	\$0
B. Special fundraising event expenses – limited to the lesser of lines 14a or 14b	\$0	\$0
C. Gains from sales of property and equipment – line 16a	\$0	\$0
D. Realized gains/losses on investments (other than endowment funds) – line 16b	\$-24,846	\$11,510
Variance greater than 25%.		
E. Unrealized investment and actuarial gains/losses (other than endowment funds) – line 16c	\$21,029	\$38,804
Variance greater than 25%.		
F. Realized and unrealized net investment gains/losses on endowment funds – line 17c, line 17d	\$84,399	\$114,352
Variance greater than 25%.		
G. Rental income (3.2A, 4.2A, 5.2A, 6.2A, 7.2A, 8.2A, 9.2A)	\$283,131	\$288,308
H. Fees for services (3.2B, 4.2B, 5.2B, 6.2B, 7.2B, 8.2B, 9.2B)	\$0	\$0
I. Licensing Fees (3.2C, 4.2C, 5.2C, 6.2C, 7.2C, 8.2C, 9.2C)	\$0	\$0
J. Other revenue ineligible as NFFS (3.2E, 4.2E, 5.2E, 6.2E, 7.2E, 8.2E, 9.2E)	\$-119,127	\$98,118
Variance greater than 25%.		
K. FMV of high-end premiums (Line 10.1)	\$31,712	\$37,329
L. All bad debt expenses from NFFS eligible revenues including but not limited to pledges, underwriting, and membership (Line 10.2)	\$0	\$0
M. Revenue from subsidiaries and other activities ineligible as NFFS (12.B, 12.C, 12.D)	\$0	\$0
N. Proceeds from spectrum auction and related revenues from line 21.	\$0	\$0
28. Total Direct Nonfederal Financial Support (Line 22 less Lines 23 through 27). (Forwards to line 1 of the Summary of Nonfederal Financial Support)	\$1,430,883	\$1,455,569

Comments

Comment	Name	Date	Status
Schedule B WorkSheet			
WDCQ-TV (1792)			
University Center, MI			

2023

2024

Step 1 - Compute the Rate -
Licensee Indirect Costs/Licensee
Direct Costs

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	2023	2024
Institutional Support (Enter this amount here only if station benefits from Institutional Support.)	\$8,024,114	\$8,179,205
AFS page or "n/a"	22	22
Physical Plant Support (Enter this amount here only if station benefits from Physical Plant Support.)	\$7,978,967	\$8,332,903
AFS page or "n/a"	22	22
Licensee Indirect Costs	\$16,003,081	\$16,512,108
Licensee Direct Costs		
Total Operating expenses	\$91,358,543	\$91,926,630
AFS page or "n/a"	22	22
Less: Institutional Support (Enter this amount whether or not the station benefits from Institutional Support.)	\$8,024,114	\$8,179,205
AFS page or "n/a"	22	22
Less: Physical Plant Support (Enter this amount whether or not the station benefits from Physical Plant Support.)	\$7,978,967	\$8,332,903
AFS page or "n/a"	23	22
Licensee's Direct Costs (= Total operating expenses minus both Institutional Support and Physical Plant Support)	\$75,355,462	\$75,414,522
Indirect Cost Rate = (Licensee's Indirect Costs/Licensee's Direct Costs)	%21.23679	%21.895130
Step 2 - Identify the Base (Station's Net Direct Expenses)		
Station's Total Operating Expenses (from Schedule E, Line 8)	\$2,411,224	\$2,926,428
Less: Depreciation and Amortization - from station's AFS (if applicable)	\$176,527	\$187,389
AFS page or "n/a"	15	15
In-kind contributions and donated property and equipment reported as expenses per AFS (if applicable)	\$0	\$0
AFS page or "n/a"	n/a	n/a
Indirect Administrative Support (if included in station's total expenses) - per AFS	\$373,498	\$474,528
Variance greater than 25%.		
AFS page or "n/a"	28	28
Expenses for non-broadcast activities and UBIT-per AFS (if applicable)	\$102,467	\$97,235
AFS page or "n/a"	n/a	n/a
Expenses not supported by licensee - per AFS (Example: expenses of consolidated entities like Friends Groups, foundations, and component units (if applicable))	\$0	\$0
AFS page or "n/a"	n/a	n/a
Station's Net Direct Expenses	\$1,758,732	\$2,167,276
Step 3: Apply the Rate to the Base (= total support activity benefiting the station)	\$373,498	\$474,528

Variance greater than 25%.

Upload the licensee's audited financial statement only. [NOTE: Only PDF files are

[View Document](#)

1792_WDCQ_BWA_fy24.pdf

**WDCQ-TV Annual Financial Report
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allowed for upload.]

2023

2024

Comments

Comment Name Date Status

Occupancy List
WDCQ-TV (1792)
University Center, MI

Type of Occupancy Location

Value

Schedule B Totals
WDCQ-TV (1792)
University Center, MI

2023 data

2024 data

1. Total support activity benefiting station

\$373,498

\$474,528

Variance greater than 25%.

2. Occupancy value

0

\$0

3. Deductions: Fees paid to the licensee for overhead recovery, assessment, etc.

\$0

\$0

4. Deductions: Support shown on lines 1 and 2 in excess of revenue reported in financial statements.

\$0

\$0

5. Total Indirect Administrative Support (Forwards to Line 2 of the Summary of Nonfederal Financial Support)

\$373,498

\$474,528

Variance greater than 25%.

6. Please enter an institutional type code for your licensee.

OT

OT

Comments

Comment Name Date Status

Schedule C
WDCQ-TV (1792)
University Center, MI

2023 data

Donor
Code

2024 data

1. PROFESSIONAL SERVICES (must be eligible as NFFS)

\$

\$0

A. Legal

\$

\$0

B. Accounting and/or auditing

\$

\$0

C. Engineering

\$

\$0

D. Other professionals (see specific line item instructions in Guidelines before completing)

\$

\$0

2. GENERAL OPERATIONAL SERVICES (must be eligible as NFFS)

\$

\$0

A. Annual rental value of space (studios, offices, or tower facilities)

\$

\$0

B. Annual value of land used for locating a station-owned transmission tower

\$

\$0

C. Station operating expenses

\$

\$0

D. Other (see specific line item instructions in Guidelines before completing)

\$

\$0

3. OTHER SERVICES (must be eligible as NFFS)

\$

\$0

A. ITV or educational radio

\$

\$0

B. State public broadcasting agencies

\$

\$0

C. Local advertising

\$

\$0

D. National advertising

\$

\$0

4. Total in-kind contributions - services and other assets eligible as NFFS (sum of lines 1 through 3), forwards to Line 3a. of the Summary of Nonfederal Financial Support

\$

\$0

5. IN-KIND CONTRIBUTIONS INELIGIBLE AS NFFS

\$

\$0

A. Compact discs, records, tapes and cassettes

\$

\$0

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	2023 data	Donor Code	2024 data
B. Exchange transactions	\$		\$0
C. Federal or public broadcasting sources	\$		\$0
D. Fundraising related activities	\$		\$0
E. ITV or educational radio outside the allowable scope of approved activities	\$		\$0
F. Local productions	\$		\$0
G. Program supplements	\$		\$0
H. Programs that are nationally distributed	\$		\$0
I. Promotional items	\$		\$0
J. Regional organization allocations of program services	\$		\$0
K. State PB agency allocations other than those allowed on line 3(b)	\$		\$0
L. Services that would not need to be purchased if not donated	\$		\$0
M. Other	\$		\$0
6. Total in-kind contributions - services and other assets (line 4 plus line 5), forwards to Schedule F, line 1c. Must agree with in-kind contributions recognized as revenue in the AFS.	\$		\$0

Comments

Comment	Name	Date	Status
Schedule D WDCQ-TV (1792) University Center, MI			

	2023 data	Donor Code	2024 data
1. Land (must be eligible as NFFS)	\$		\$0
2. Building (must be eligible as NFFS)	\$		\$0
3. Equipment (must be eligible as NFFS)	\$		\$0
4. Vehicle(s) (must be eligible as NFFS)	\$		\$0
5. Other (specify) (must be eligible as NFFS)	\$		\$0
6. Total in-kind contributions - property and equipment eligible as NFFS (sum of lines 1 through 5), forwards to Line 3b. of the Summary of Nonfederal Financial Support	\$		\$0
7. IN-KIND CONTRIBUTIONS INELIGIBLE AS NFFS	\$		\$0
a) Exchange transactions	\$		\$0
b) Federal or public broadcasting sources	\$		\$0
c) TV only—property and equipment that includes new facilities (land and structures), expansion of existing facilities and acquisition of new equipment	\$		\$0
d) Other (specify)	\$		\$0
8. Total in-kind contributions - property and equipment (line 6 plus line 7), forwards to Schedule F, line 1d. Must agree with in-kind contributions recognized as revenue in the AFS.	\$		\$0

Comments

Comment	Name	Date	Status
Schedule E WDCQ-TV (1792) University Center, MI			

EXPENSES

(Operating and non-operating)

PROGRAM SERVICES

	2023 data	2024 data
1. Programming and production	\$1,199,632	\$1,370,128
A. TV CSG	\$892,306	\$917,898
B. TV Interconnection	\$0	\$0

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	2023 data	2024 data
C. Other CPB Funds	\$0	\$0
D. All non-CPB Funds	\$307,326	\$452,230
2. Broadcasting and engineering	\$578,426	\$760,783
A. TV CSG	\$0	\$0
B. TV Interconnection	\$14,718	\$13,755
C. Other CPB Funds	\$0	\$0
D. All non-CPB Funds	\$563,708	\$747,028
3. Program information and promotion	\$0	\$0
A. TV CSG	\$0	\$0
B. TV Interconnection	\$0	\$0
C. Other CPB Funds	\$0	\$0
D. All non-CPB Funds	\$0	\$0
SUPPORT SERVICES	2023 data	2024 data
4. Management and general	\$249,920	\$298,159
A. TV CSG	\$0	\$0
B. TV Interconnection	\$0	\$0
C. Other CPB Funds	\$0	\$0
D. All non-CPB Funds	\$249,920	\$298,159
5. Fund raising and membership development	\$206,719	\$309,969
A. TV CSG	\$0	\$0
B. TV Interconnection	\$0	\$0
C. Other CPB Funds	\$0	\$0
D. All non-CPB Funds	\$206,719	\$309,969
6. Underwriting and grant solicitation	\$0	\$0
A. TV CSG	\$0	\$0
B. TV Interconnection	\$0	\$0
C. Other CPB Funds	\$0	\$0
D. All non-CPB Funds	\$0	\$0
7. Depreciation and amortization (if not allocated to functional categories in lines 1 through 6)	\$176,527	\$187,389
A. TV CSG	\$0	\$0
B. TV Interconnection	\$0	\$0
C. Other CPB Funds	\$0	\$0
D. All non-CPB Funds	\$176,527	\$187,389
8. Total Expenses (sum of lines 1 to 7) must agree with audited financial statements	\$2,411,224	\$2,926,428
A. Total TV CSG (sum of Lines 1.A, 2.A, 3.A, 4.A, 5.A, 6.A, 7.A)	\$892,306	\$917,898
B. Total TV Interconnection (sum of Lines 1.B, 2.B, 3.B, 4.B, 5.B, 6.B, 7.B)	\$14,718	\$13,755
C. Total Other CPB Funds (sum of Lines 1.C, 2.C, 3.C, 4.C, 5.C, 6.C, 7.C)	\$0	\$0
D. Total All non-CPB Funds (sum of Lines 1.D, 2.D, 3.D, 4.D, 5.D, 6.D, 7.D)	\$1,504,200	\$1,994,775

INVESTMENT IN CAPITAL ASSETS
Cost of capital assets purchased or donated

2023 data 2024 data

WDCQ-TV Annual Financial Report For the Fiscal Years Ending June 30, 2023 and 2024

	2023 data	2024 data
9. Total capital assets purchased or donated	\$191,767	\$231,299
9a. Land and buildings	\$0	\$226,051
9b. Equipment	\$191,767	\$5,248
9c. All other	\$0	\$0
10. Total expenses and investment in capital assets (Sum of lines 8 and 9)	\$2,602,991	\$3,157,727

Additional Information

(Lines 11 + 12 must equal line 8 and Lines 13 + 14 must equal line 9)

	2023 data	2024 data
11. Total expenses (direct only)	\$2,037,726	\$2,451,900
12. Total expenses (indirect and in-kind)	\$373,498	\$474,528
13. Investment in capital assets (direct only)	\$0	\$0
14. Investment in capital assets (indirect and in-kind)	\$191,767	\$231,299

Comments

Comment	Name	Date	Status
Schedule F WDCQ-TV (1792) University Center, MI			

2024 data

1. Data from AFR

a. Schedule A, Line 22	\$3,071,004
b. Schedule B, Line 5	\$474,528
c. Schedule C, Line 6	\$0
d. Schedule D, Line 8	\$0
e. Total from AFR	\$3,545,532

Choose Reporting Model

You **must** choose one of the three reporting models in order to complete Schedule F. After making your selection, click the "Choose" button below, which will display your reporting model. When changing to a different reporting model all data entered in the current reporting model will be lost.

- ☐ FASB
 ☒ GASB Model A proprietary enterprise-fund financial statements with business-type activities only
 ☐ GASB Model B public broadcasting entity-wide statements with mixed governmental and business-type activities

2024 data

2. GASB Model A proprietary enterprise-fund financial statements with business-type activities only

a. Operating revenues	\$3,214,093
b. Non-operating revenues	\$328,939
c. Other revenue	\$2,500
d. Capital grants, gifts and appropriations (if not included above)	\$0
e. Total From AFS, lines 2a-2d	\$3,545,532

Reconciliation

2024 data

3. Difference (line 1 minus line 2)	\$0
4. If the amount on line 3 is not equal to \$0, click the "Add" button and list the reconciling items.	\$0

Comments

Comment	Name	Date	Status
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Exhibit C

WDCQ-TV
Summary of Non-Federal Financial Support
For the Years Ending June 30, 2023 and 2024
Certified by Head of the Grantee and Independent Accountant's Report

AFR Line	WDCQ-TV Description	FY 2025 3	FY 2024	Totals
1	Direct Revenue (Schedule A)	\$1,430,883	\$1,455,569	\$2,886,452
2	Indirect Administrative (Schedule B)	\$373,498	\$474,528	\$848,026
4	Total Non-Federal Financial Support	\$1,804,381	\$1,930,097	\$3,734,478

SCOPE AND METHODOLOGY

We performed an attestation examination to determine WDCQ-TV's compliance with CPB Financial Reporting Guidelines, provisions of the Communications Act, grant certification requirements, and other grant provisions. The scope of the audit included reviews and tests of the information reported by the grantee on its AFRs that we reconciled to audited financial statements for the fiscal years ending June 30, 2023, and June 30, 2024; grant certifications of compliance with Act requirements; and certifications on its financial reports submitted to CPB.

We tested the allowability of the NFFS claimed on WDCQ-TV's AFRs by performing financial reconciliations and comparisons to the station's underlying accounting records (general ledgers) and the audited financial statements. We reviewed underwriting and grant agreements, contracts, and other documentation supporting revenues reported. Specifically, we reviewed NFFS revenue transactions reported totaling \$1,016,355 of the \$1,430,883 reported in FY 2023 and \$1,001,26621 of the \$1,455,569 reported in FY 2024.

We reviewed the allowability of expenses WDCQ-TV charged to the CSGs received from CPB during FYs 2023 and 2024. We reviewed the station's FY 2023 and FY 2024 general ledgers to verify CSG and Interconnection grant funds were expended within the spending periods. To determine whether WDCQ-TV incurred CSG expenditures in accordance with grant terms, we reviewed CSG expenses totaling \$1,247,913, and Interconnection expenses totaling \$18,709 that were incurred by the station during our audit period. For all the grant expenses reviewed, we examined supporting documentation, including invoices, proof of payments, and other documentation for judgmentally selected transactions. We also performed analytical review procedures of indirect administrative support of \$373,498 and \$474,528 for FY 2023 and FY 2024, respectively.

We reviewed policies, records, and documents supporting the station's compliance with the Act's requirements to provide advance notice of public meetings, make financial and EEO information available to the public, and safeguard donor lists. We also reviewed WDCQ-TV's and Delta College's websites to determine its compliance with CPB's transparency requirements. We also reviewed the independent public accountant's (IPA) audit planning, internal controls, and attestation working papers for FY 2023 and FY 2024 related to expenses, and revenues and AFR review procedures.

We gained an understanding of internal controls over the preparation of AFRs, cash receipts, and cash disbursements. We also gained an understanding of WDCQ-TV's procedures for compliance with certification of eligibility requirements, Communications Act, and CPB grant agreement terms for allowable costs. We used this information to assess risks and plan the nature and extent of our testing to conclude on our objectives.

We conducted fieldwork from April 28, 2025 through August 5, 2025. We performed our audit in accordance with the *Government Auditing Standards* for attestation examination.



1961 Delta Road • University Center, MI 48710
989-686-9000 • www.delta.edu

September 9, 2025

William Richardson III
Office of Inspector General
Corporation for Public Broadcasting
401 Ninth Street, NW
Washington, DC 20004-2129

RE: Response to Audit of Community Service and Other Grants Awarded to WDCQ-TV, Licensed to Delta College, University Center, Michigan, for the Period July 1, 2022 through June 30, 2024, Draft Report No. AST2512-XXXX

Dear Mr. Richardson,

Below you will find our written comments and responses to the findings and recommendations that resulted from the above stated audit.

Duplicated Donated Electricity and Insurance Expense

We agree that the direct amounts included in the General Fund appropriation are also included in the Physical Plant Support amount reported on Schedule B. We believe that we are calculating the indirect costs correctly, however, after the new IAS calculation method was implemented, we continued to include the direct electricity and insurance on line 6.1.C. Every year during our desk review of the AFR, CPB inquiries of what is included in our General Fund appropriation on line 6.1.C, which we indicate includes direct electricity and insurance; therefore, we were under the understanding that we were reporting correctly.

Overstated Indirect Costs

When the College's financial statements were restated for FY 2023, it was an oversight that the AFR would need to be revised. We agree with the indirect cost adjustment.

Advance Notice of Public Meetings

While the requirements of the Michigan Open Meetings Act were fulfilled, we acknowledge that the Communications Act compliance requirement was not met, due to an oversight. At the time, we did not interpret the agenda item of selecting the College's audit firm as direct station business.

Should you have any questions, or need anything further related to this audit, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Bennett', with a long horizontal stroke extending to the right.

Thomas Bennett
General Manager
Delta College Public Media
1961 Delta Road
University Center, MI 48710
989-686-9580 (office)
thomasbennett@delta.edu

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.

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: <https://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](https://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).