



Corporation  
for Public  
Broadcasting

Office of Inspector General

## Annual Plan Fiscal Year 2020

### Vision

We support public media by promoting accountability for and recommending improvement in the initiatives and operations of CPB.

### Mission

To promote the efficiency, effectiveness, and integrity of CPB grants, operations, and other initiatives, we conduct independent and objective audits, evaluations, investigations, and other reviews.

### Core Values

*Integrity* – Our work is fair, balanced, and credible.

*Excellence* – We produce quality work and follow professional standards.

*Collaboration* – We seek and value input from each other and stakeholders.

*Independence* – We exercise our professional judgment without undue influence from Congress, CPB, or the public.

We are pleased to present our fiscal year (FY) 2020 Annual Plan for the Office of Inspector General (OIG) of the Corporation for Public Broadcasting (CPB). The plan identifies the type of projects we will undertake in FY 2020 and the measures we will apply to assess our performance. We also report on our performance against our FY 2019 Annual Plan measures. This plan aligns with our strategic goals of 1) providing timely and high value products; 2) promoting effective working relationships; and 3) promoting excellence and innovation in OIG. See the OIG Strategic Plan Fiscal Years 2019 – 2023, <https://www.cpb.org/files/oig/reports/Strategic-Plan-2019-2023.pdf>.

We made these planning decisions based on our risk assessment, after requesting input from the CPB Board of Directors (Board), senior CPB officials, and members of the pertinent committees of the U.S. Congress. As the year progresses, we may change our plan to address emerging issues and special requests. Our aim is to maximize our limited resources to best promote accountability in public media by focusing on high priority initiatives, large investments of CPB resources, and other identified risks.

## Goals and Strategies

### Goal 1

*Provide timely and high value products that benefit CPB initiatives and operations.*

#### **Strategies to achieve goal 1:**

- Conduct risk-based audits, evaluations, and other reviews of CPB grantees, contractors, vendors, and operations that provide accountability and recommend improvement.
- Conduct investigations to improve integrity over CPB programs and operations.
- Evaluate allegations submitted to OIG and follow-up as appropriate.

#### **Planned work supporting goal 1:**

##### *Audits and Evaluations*

Our audit universe consists of about 466 public media licensees that receive Community Service Grants (CSG) plus more than 100 other open grants and contracts to produce public television (TV) and radio programming, upgrade digital access in public media, and implement other CPB initiatives and internal operations.

We conduct audits under the *Government Auditing Standards* issued by the Government Accountability Office. Typically, we conduct attestation examinations of stations' compliance with the Communications Act of 1934, as amended, and CPB grant agreement terms. This fiscal year we will also explore developing a limited scope methodology for conducting station audits focusing on known risks at more stations. We also conduct financial audits of CPB production grants and other grants and contracts and may conduct performance audits addressing specific objectives related to program results and effectiveness. In addition, we provide limited oversight of CPB's independent public accountant conducting CPB's financial statement audit.

We perform evaluations under the Council of the Inspectors General on Integrity and Efficiency (CIGIE) *Quality Standards for Inspection and Evaluation*. Evaluations are generally more narrow reviews that can be conducted in a shorter time frame than an audit.

In FY 2020, we plan to complete audits, evaluations, and peer reviews of the following:

- 5 TV and/or radio stations (including developing a limited scope audit/evaluation methodology);
- 1 production grant or contract;
- 1 internal CPB function;
- hotline complaints, if warranted; and

- 2 CIGIE mandated peer reviews to be conducted of other OIG's Inspection & Evaluations and Investigations programs.

#### *Hotline and Other Complaints/Investigations*

OIG's hotline is our primary mechanism to receive complaints raised by the public, CPB employees, and the public media community. We evaluate all complaints to assess the allegations and whether the issues presented are within our purview. Complaints can lead to audits, evaluations, or other reviews of significant compliance issues or investigations of potential criminal activities. We conduct all investigations in accordance with the *Quality Standards for Investigations* issued by CIGIE.

## Goal 2

*Promote effective working relationships with Congress, the CPB Board, management, and stakeholders and increase the visibility of OIG in the public media community.*

### **Strategies to achieve goal 2:**

- Keep CPB's Board and management appropriately informed of OIG activities.
- Promptly respond to Congressional requests for information or assistance.
- Reach out to the public media community.

### **Planned work supporting goal 2:**

We will send regular status reports on our pending work to CPB's Board and management, brief the Board as requested, meet periodically with management to discuss issues of mutual concern, and solicit input to our annual plan from both the Board and management. We will send all draft reports to management officials and auditees, consider their comments as we develop the final reports, and ask for their feedback on the audit process after we complete audits. We also will review and comment on all pertinent legislative proposals and CPB draft policies and guidance.

We will keep Congress informed of our activities through our Semiannual Reports to Congress, by sending our final reports to relevant committees, and by responding to any specific requests for information or briefings. We will evaluate all Congressional requests and initiate responsive research, audits, evaluations, investigations, or other reviews as appropriate. We will also solicit input for our annual plan from members of pertinent Congressional committees.

We will conduct outreach to the public and to the public media community via our website, social media, and other tools to educate them on our role and responsibilities. We will post our final reports on our website and CIGIE's oversight.gov website and promote our hotline as a tool to help improve accountability and integrity of CPB-funded activities.

**Goal 3**

*Promote excellence and innovation in OIG.*

**Strategies to achieve goal 3:**

- Maintain a diverse, highly skilled workforce.
- Foster an environment of open communication, respect for ideas, and appreciation for everyone's contribution.
- Provide technology, equipment, training, and other resources necessary to our work.
- Promote innovation to make our processes more efficient and our products more effective, for example by using data analytics to assess risk and to identify emerging accountability issues.

**Planned work supporting goal 3:**

We will support our audit staff by providing the training required by their professional standards and sponsor appropriate training for all other staff. We will also supply the hardware, software, and other technology that our auditors and staff require to conduct their work. We will employ workplace flexibilities, such as telecommuting, as appropriate.

We will conduct our work in accordance with applicable professional standards and update our internal manuals to incorporate revisions to those standards. We will also procure an independent annual analysis of our quality assurance activities.

We will hold monthly staff meetings to report on significant developments, discuss issues of concern to the staff, and prepare for upcoming activities. Each staff member will also meet regularly with the Inspector General and Deputy Inspector General to discuss the status of individual pending projects.

We will work toward more efficiency and effectiveness in our work and employ tools such as data analytics to assess risk and identify emerging issues in CPB's initiatives and operations.

### FY 2020 Performance Measures

We will assess our performance in FY 2020 against the following measures:

Performance Measure		FY 2020 Goal
1.	Initiate fieldwork on audits, evaluations, investigations, or CIGIE peer reviews. (Goal 1)	7
2.	Complete new or carryover audits, evaluations, investigations, or CIGIE peer reviews. (Goal 1)	9
3.	Evaluate and close complaints or designate them for further action within 30 days after receiving necessary information. (Goal 1)	90%
4.	Respond to Congressional correspondence within two weeks or by the requested response date. (Goal 2)	100%
5.	Initiate outreach efforts. (Goal 2)	4
6.	Professional audit staff meet CPE requirements and all staff receive at least 6 hours training. (Goal 3)	100%

### Report on FY 2019 Performance Measures

This chart reports our results on each of our FY 2019 performance measures.

Performance Measure		FY 2019 Goal	FY 2019 Results
1.	Initiated fieldwork on audits, evaluations, or investigations. (Goal 1)	8	10
2.	Completed new or carryover audits, evaluations, or investigations. (Goal 1)	7	7
3.	Evaluate and close complaints or designate them for further action within 30 days after receiving necessary information. (Goal 1)	90%	94%
4.	Respond to Congressional correspondence within two weeks or requested response date. (Goal 2)	100%	100%
5.	Initiate outreach efforts. (Goal 2)	4	5
6.	Professional audit staff meet CPE requirements and all staff receive at least 6 hours of training. (Goal 3)	100%	100%

We met or exceeded all our performance measures for FY 2019. We initiated ten audits, exceeding our goal of eight audits or evaluations in measure 1. We issued seven audit reports meeting our goal of seven audits or evaluations in measure 2. In this year's work we continued to identify indirect administrative support issues in Non-Federal Financial Support (NFFS) claimed by stations. This issue has recently led to CPB adopting a more simplified method for

calculating indirect administrative support in FY 2021.

We exceeded the measure 3 goal of 90 percent for closing complaints timely. We received 50 complaints and closed all but 3 within our required timeframe, achieving a 94 percent success rate. We also met our measure for responding timely to Congressional correspondence in measure 4.

We exceeded our outreach efforts goal in measure 5. At the beginning of the fiscal year the Inspector General sent a letter to station officials highlighting the types of errors we found in our recent audits, e.g., findings in NFFS reporting and Act compliance. We also made two presentations at a national conference for public media business officials: one on OIG audit findings with a fraud awareness component and a second on improving compliance with CPB financial reporting and Communications Act requirements. Finally, we participated in two CPB CSG compliance webinars provided to stations.

We also met the professional development (staff training) goal in measure 6. Each auditor met the CPE requirement required by the *Government Auditing Standards*, and our other staff members each received more than the minimum six hours of training.

In total, we audited more than \$92 million of reported NFFS revenue. From that universe, we identified \$2,633,033 in overstated NFFS, resulting in excess CSG payments of \$206,349. We also audited \$31,577,263 in CPB grant expenditures and identified \$443,918 in questioned costs related to those grants.

## Authority

Under the Inspector General Act of 1978, as amended, the OIG is an independent organization within CPB with authority to:

- conduct and supervise audits and investigations relating to CPB's initiatives and operations;
- provide leadership, coordination, and recommend policies for activities designed to promote economy, effectiveness, and efficiency, and to prevent and detect fraud, waste and abuse in CPB's initiatives and operations; and
- keep CPB's Board and Congress fully and currently informed about problems and deficiencies affecting CPB's initiatives and operations and on the status of corrective actions.

To facilitate our reviews, the Act provides that the OIG will have access to all pertinent information available to CPB. In conducting our activities, we adhere to audit standards set by the Government Accountability Office and professional standards adopted by the CIGIE.