Community Service Grant
Requirements and Resources
September 9, 2020

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Today’s Objectives

• Understand General Provisions and Eligibility Criteria
• Learn how to access training and other resources
• Understand grantee accountability
• Improve reporting and compliance
General Provisions & Eligibility Criteria

• Provide the terms and conditions of CSG awards
CSG General Provisions

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CSG General Provisions

cpb.org/stations

Community Service Grants

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- Television CSG General Provisions
- Radio CSG General Provisions

Integrated Station Information System

The CSG legal forms as well as reporting tools (AFR, FSR, SABS, and SAS) can be found on the Integrated station information system.

Training

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Compliance

- Harassment Prevention Training Program
- CSG Non-Compliance Policy
- Communications Act Compliance
- Compliance Hotline: (202) 879-9655
- Compliance Card 2019 803KB PDF
- Compliance Alerts:
  - 2018
  - 2017
CSG General Provisions

Eligibility Criteria
Communications Act Requirements
Recordkeeping Requirements
Reporting Requirements
Operational Requirements
Diversity Statement
Transparency
Donor Privacy
Training
Use of CSG Funds
Eligibility Criteria

Eligible:

• operate 1+ broadcast stations and
• at least one meets the CSG eligibility criteria
• TV: full-power UHF or VHF station
Eligibility Criteria

Ineligible:

• closed-circuit
• student
• training or
• licensed to political organizations
Grantees may not receive funding unless they comply with applicable provisions of the Communications Act.

Non-compliance policy

Communications Act

The Corporation for Public Broadcasting (CPB) has established this CSG Non-compliance Policy to encourage stations receiving a Community Service Grant (CSG) to comply with applicable provisions of the Communications Act of 1934, 47 U.S.C. §§ 309, et seq. (Communications Act or Act) and CPB’s General Provisions and Eligibility Criteria (General Provisions). This policy replaces and supersedes CPB’s 2013 Omnibus Non-compliance Policy. The General Provisions require CSG recipients to certify annually that they comply with applicable provisions of the Communications Act and the General Provisions. Stations that certify their compliance but are subsequently found to be non-compliant will be subject to the following penalties, in addition to any repayment of CSG funds as required by the General Provisions.

I. Compliance with the Communications Act

Failure to comply with the following Communications Act requirements will subject the recipient to a penalty of $5,000 per infraction:

A. Open Meetings, including meetings of the recipient’s board, community advisory board, and their committees, documenting the reasons for closing these meetings, and making that documentation available to the public (47 U.S.C. § 390(c)(4));
B. Open Financial Records (47 U.S.C. § 390(c)(7));
C. Community Advisory Board (47 U.S.C. § 390(c)(8));
D. Employment and Statistical Report (47 U.S.C. § 390(c)(13)); and
E. Donor Information (47 U.S.C. § 390(c)(15)).

II. Compliance with the General Provisions

Failure to comply with requirements of the General Provisions which results in an overpayment of the recipient’s CSG will subject the recipient to a penalty of ten percent of the amount of the overpayment, in addition to refunding the overpayment. In such cases, CPB may require the recipient to review its records for the prior two years and
Communications Act

1. Open meetings
2. Closed meetings
3. Open financial records
4. Community advisory board
5. Employment statistical report
6. Donor information
Communications Act

cpb.org/stations
Communications Act

cpb.org/stations/certification

Communications Act Compliance

This document explains important provisions of the Communications Act of 1934, 47 U.S.C. §396, et seq., (Communications Act or Act) that apply to public broadcasting stations receiving a Community Service Grant (CSG) from the Corporation for Public Broadcasting (CPB). It also references related requirements established by CPB’s General Provisions and Eligibility Criteria (the General Provisions). It does not supersede other provisions of the Act, specific terms of CPB grants, or other laws and regulations applicable to grantees. CSG recipients should consult their legal counsel for guidance in complying with specific provisions of the Act and other legal requirements.

In their annual CSG Agreement and Certification of Eligibility, grantees must certify that they comply with the Communications Act, the General Provisions, CPB’s Financial Reporting Guidelines and the Application of Principles of Accounting and Financial Reporting Applicable to Public Telecommunications Entities. This annual certification must be signed by two individuals: the head of the grantee and the licensee official. The head of the grantee is the highest ranking representative of the station’s management responsible for station operations, such as its president and chief executive officer. Licensee official means the chair of the stations licensee’s governing board, or a designated senior level representative of the licensee who is not a member of the station’s management and who has the authority to enter into binding contracts and agreements on behalf of the licensee.

To ensure compliance, the Act enables CPB and its representatives, including the Inspector General, to audit grantees, including the right of access to their “books, documents, papers and records” (§396(f) (3) (D)). Stations may therefore find it helpful to develop procedures for documenting their compliance with each requirement. Such procedures would support consistency in a station’s compliance, the accuracy of its annual certification to CPB, and evidence that may be useful to demonstrate compliance in the event of a station audit.
The Communications Act mandates recordkeeping and auditing and gives CPB access to all CSG records.

Grantees must keep records to facilitate an effective audit.

Discrete accounting required
Discrete Accounting

• The use of unique accounting codes by CSG recipients to identify CSG funds – both revenues and expenses, restricted and unrestricted

• Not required to segregate CSG funds in separate bank accounts

• Cannot use the CSG accounting codes for non-CSG funds
Reporting Requirements

cpb.org/stations FRG/

Financial Reporting Guidelines

The Financial Reporting Guidelines have been updated. Section XIV Amortizing Capital Assets and Gifts has been renamed Section XIV Allocating Capital Assets and Gifts and features a policy change.

Grantees awarded a Community Service Grant (CSG) by CPB must complete either an Annual Financial Report (AFR) or an annual Financial Summary Report (FSR), as detailed in the applicable year General Provisions and Eligibility Criteria. The Financial Reporting Guidelines (Guidelines) for fiscal year 2019 explain how to complete these reports.

- 2019 Financial Reporting Guidelines
- 2018 Financial Reporting Guidelines
- 2017 Financial Reporting Guidelines
Reporting Requirements

Reporting required:
AFR/FSR and financial statements within 5 months after close of grantee fiscal year; and submit by Feb. 15:
• Station Activities Survey (SAS)
• Local Content & Services Report (LCSR)
• Station Activities Benchmarking Survey (SABS)

Grant offers: Must be accepted by June 30
Operational Requirements

- FCC operating requirements
- Operating power
- Broadcast schedule
- Policy changes
- Staffing requirement
- Minimum NFFS
- Channel sharing agreement (TV)
- Audience service criteria (Radio)
FCC Requirements and Operating Power

- Comply with FCC requirements for a noncommercial educational TV or radio station
  - TV: operate at full-power
  - Radio
    - FM: 100 Watts
    - AM: 250 Watts
Operational Requirements

Broadcast Schedule:

CPB Qualified Programming

**TV**: 7 days/week, 52 weeks/year, at least 3,000 hours or 58 hours/week

**Radio**: at least 18 consecutive hours/day, 7 days/week, for 52 weeks/year
CSG Policy Changes

- Radio level reorganization
- Minimum NFFS
- Base and incentive grants
Radio Organized by Coverage Area Population (CAP)

<table>
<thead>
<tr>
<th>Level</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>Sole Service</td>
<td><strong>Smaller</strong></td>
<td>Larger Rural</td>
<td>Larger</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>CAP 1</th>
<th>CAP 2</th>
<th>CAP 3</th>
<th>CAP 4</th>
<th>CAP 5</th>
<th>CAP 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAP</td>
<td>0-20K</td>
<td>20-100K</td>
<td>100K-300K</td>
<td>300K-1M</td>
<td>1M-3M</td>
<td>3M+</td>
</tr>
</tbody>
</table>
Operational Requirements

Staffing Requirement:

**TV**: an executive with primary responsibility to oversee operations

**Radio**: Revised in 2021

Varies by category

- 1-3: 2 FT employees
- 4: 3 (min. 2 FT) employees
- 5-6: 4 (min. 2 FT) employees
Non-Federal Financial Support (NFFS)

Revenue raised from sources other than the federal government and public broadcasting entities

- Memberships
- State appropriations
- Foundation grants
- Underwriting
- Other
## Operational Requirements

### Minimum NFFS

**TV:** $800,000
- Current NFFS or 3-year average
- Additional considerations

### Radio:

<table>
<thead>
<tr>
<th>Categories</th>
<th>CAP 1 0-20K</th>
<th>CAP 2 20-100K</th>
<th>CAP 3 100K-300K</th>
<th>CAP 4 300K-1M</th>
<th>CAP 5 1M-3M</th>
<th>CAP 6 3M+</th>
</tr>
</thead>
<tbody>
<tr>
<td>NFFS Minimum</td>
<td>$250,000</td>
<td>$275,000</td>
<td>$300,000</td>
<td>$300,000</td>
<td>$400,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>NFFS Minimum (Minority or Rural)</td>
<td>$250,000</td>
<td>$250,000</td>
<td>$275,000</td>
<td>$275,000</td>
<td>$300,000</td>
<td>$400,000</td>
</tr>
<tr>
<td>NFFS Minimum (Minority + Rural)</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
</tr>
</tbody>
</table>

Sole Service grantees have no minimum NFFS requirement.
Operational Requirements

Channel Sharing Agreement

**TV:**

- Two grantees
- Grantee and commercial station
Audience Service Criteria (ASC)

Radio:

- Financial and listening goals
- Goals depend on
  - Coverage Area Population
  - Station format
  - Minority designation
- Removal path
Diversity Statement

To support service to diverse audiences

• Diversity Statement
• Annual review
• Annual Initiative
• Recruiting
To ensure transparency and public confidence in the use of CPB funds

<table>
<thead>
<tr>
<th>Website:</th>
<th>Public Inspection:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Station Management</td>
<td>Diversity Statement</td>
</tr>
<tr>
<td>Board of Directors</td>
<td>Local Content and Service Report</td>
</tr>
<tr>
<td>CAB Members</td>
<td></td>
</tr>
<tr>
<td>Financial Records</td>
<td></td>
</tr>
</tbody>
</table>
Grantees must meet all applicable federal and state laws and regulations regarding donor privacy and data security.
Harassment Prevention Training

• Annual requirement for Grantee’s officers, employees, interns (paid and unpaid)

• Options for training
  ▪ Online NAVEX – licenses provided at no cost by CPB
  ▪ Training of Grantee’s choosing
Harassment Prevention Training

Topics must include:

- What constitutes acceptable and unacceptable workplace behavior;
- How to recognize harassment when it occurs; and
- How to report and respond to violations.
Compliance Training

Annual
Grantees must complete at least one CSG compliance training provided by CPB
- In-person
- Live webinars
<table>
<thead>
<tr>
<th>CSG Funds</th>
<th>Radio</th>
<th>TV</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unrestricted Funds</strong></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>7 Spending Categories</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Restricted Funds</strong></td>
<td>✓</td>
<td>N/A</td>
</tr>
<tr>
<td>For National Programming</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Use of CSG Funds

**Spending period:** Funds must be used within 2-year spending period.

**Documenting expenses:** three years with some exceptions

**Return of funds:** conditions requiring grantees to return funds
Questions?
TV & Radio CSG Formulas
CSG Grant Elements

- Base grant: • Fixed amount
- Supplemental grant: • Eligible grantees
- Incentive grant: • Based on NFFS
## CSG Grant Elements

### FY 2021 TV CSG

- **Base Grant**
  - 0.12% of total CPB appropriation
  - $534,000

- **Supplemental Grants**
  - Rural
  - Distance service

- **Incentive Grant**
  - Based on a grantee’s tiered NFFS

### FY 2021 Radio CSG

- **Base Grant determined by category**

<table>
<thead>
<tr>
<th>Tier</th>
<th>Range</th>
<th>Grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0 – 20K</td>
<td>$90,000</td>
</tr>
<tr>
<td>2</td>
<td>20K – 100K</td>
<td>$85,000</td>
</tr>
<tr>
<td>3</td>
<td>100K – 300K</td>
<td>$75,000</td>
</tr>
<tr>
<td>4</td>
<td>300K – 1M</td>
<td>$60,000</td>
</tr>
<tr>
<td>5</td>
<td>1M – 3M</td>
<td>$50,000</td>
</tr>
<tr>
<td>6</td>
<td>3M +</td>
<td>$35,000</td>
</tr>
</tbody>
</table>

- **Supplemental Grant**
  - Rural Support Grant = $23,643 in 2020
  - Designations
    - Rural
    - Minority
    (+ multipliers on NFFS, base grants, and RSG)

- **Incentive Grant**
  - Based on a grantee’s tiered NFFS
### TV: Tiered NFFS for Incentive Grant

<table>
<thead>
<tr>
<th>Tier</th>
<th>Apply CPB Match to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>100% of NFFS up to $3 million</td>
</tr>
<tr>
<td>2</td>
<td>92.5% of NFFS over $3M but less than $20M</td>
</tr>
<tr>
<td>3</td>
<td>95% of NFFS $20M and over</td>
</tr>
</tbody>
</table>
### Radio: Tiered NFFS for Incentive Grant

<table>
<thead>
<tr>
<th>Tier</th>
<th>Apply CPB Match to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>90% of NFFS up to $300 thousand</td>
</tr>
<tr>
<td>2</td>
<td>100% of NFFS from $300K to less than $15M</td>
</tr>
<tr>
<td>3</td>
<td>100% (2021); 90% (2022); 80% (2023) of NFFS $15M and over</td>
</tr>
</tbody>
</table>
Simplify the Calculation of IAS

• Allow one method
  – Derive a rate by dividing the licensee’s indirect costs by its direct costs;
  – Apply the rate to a base amount consisting of the station’s net direct expenses.
Estimating FY 2021 TV CSGs

Base
- 0.12% of appropriation
- $534,000
- MPM grantees share one

Incentive
- 12 cents*
- Use 2019 tiered NFFS

USSG, IC & DSG
- Similar to 2020 CSG
- Transmitter changes affect DSG
**Estimating FY 2021 Radio CSGs**

**Base**
- Varies by category
- If MASS = 1.5 x

**Incentive**
- All categories
- 0.05 IRR*
- Use tiered 2019 NFFS

**RSG**
- For Rural Audience Service Stations
- If MASS = 1.5 x

<table>
<thead>
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<th>CAP Range</th>
<th>Base Grant</th>
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<td>3</td>
<td>100K – 300K</td>
<td>$75,000</td>
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Questions?
CSG Resources

CPB Office of Grants Administration
Kate Arno, VP, CSG and Station Initiatives
Tim Bawcombe, Director, TV CSG Policy and Review
Andrew Charnik, Director, Radio CSG Policy and Administration
Nadine M. Feaster, Director, Grants Administration
Sharon Simmons, Manager, Grants Administration
Biniam Debebe, Senior Financial Review Specialist
Ken Goulet, Senior Financial Review Specialist

Help Desk
Email: csg@cpb.org
Phone: (866) 635-4747

cpb.org
CSG information page: cpb.org/stations/
Online webinars: cpb.org/station-resource/csg-and-isis-training-opportunities
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CSG Training

cpb.org/station-resource/csg-and-isis-training-opportunities

CSG and ISIS Training Opportunities

We strongly encourage all station/licensee staff assigned to ISIS security groups to sign up for as many webinars and face-to-face workshops as needed to understand the use of ISIS, CSG compliance and certification, as well as how to complete CSG legal, financial, survey and other reporting forms. Inquiries related to SABS and SAS should be sent to SABS@cpb.org and SAS@cpb.org, respectively.

PDF Webinar Presentations

- Slide Deck: Indirect Administrative Support Method
- Slide Deck: CPB ISIS 101: Learning How to Use the Integrated Station Information System
- Slide Deck: How to Compute Indirect Administrative Support to Report as NFFS; November 15, 2017
- Slide Deck: Completing the FSR; October 23, 2019
- Slide Deck: CSG Requirements and Resources Webinar. September 13, 2018
- Slide Deck: Intro to Financial Reporting; October 2019
- Slide Deck: What is NFFS?: October 16, 2019

Pre-Recorded Web-Based Training

- Pre-Recorded 2019 CPB ISIS 101: Learning How to Use the Integrated Station Information System
- Pre-Recorded Indirect Administrative Support: New Method, February 27, 2020
- Pre-Recorded Indirect Administrative Support: New Method, February 20, 2020

Next Live Online Webinars

- CSG Requirements and Resources: Wednesday, September 9th 2:00pm-3:30pm ET
- Introduction to Financial Reporting: Wednesday, September 16th 2:00pm-3:30 ET
- Completing the FSR: Wednesday, September 23rd 2:00pm- 3:30pm ET