



Corporation  
for Public  
Broadcasting

## CPB Community Service Grants

The Corporation for Public Broadcasting (CPB) is the largest single source of funding for public media — and more than 70 cents out of every dollar appropriated to CPB goes directly to local public media stations through Community Service Grants (CSGs). As an important part of public media’s public-private partnership model, these grants help stations provide high-quality content and services to their communities. On average, public media stations leverage their CSG funding six times over.

Unlike many other countries, public media in the U.S. is locally based. Public media stations are locally managed and operated and make programming decisions based on the needs and interests of the communities they serve.

CPB’s mission is to ensure that public media content is accessible, free and commercial free, to everyone, especially to unserved and underserved communities. The CSG program is designed to help ensure public media stations provide universal access to public media content and to promote sustainability across the public media system. Stations must meet a variety of legal, managerial, staffing and operational criteria each year to qualify for CSG funding.

By statute, CSGs are calculated by separate formulas for television and radio licensees. As required by the Public Broadcasting Act, these formulas are updated periodically after a formal review by system leaders. Separate review panels for the Television and Radio CSG programs were held simultaneously in 2019 with representatives from stations of different sizes, licensee types, geographic regions and other circumstances, as well as from national public media organizations. Both groups addressed the widening financial disparities among stations and how to encourage sustainability while not penalizing stations serving communities with less fundraising potential. CPB management presented recommendations to the CPB Board, which adopted the policies. A portion of the television policies took effect for FY 2020; most take effect starting in FY 2021.

### Community Service Grants may include three parts:

- **Base grants** go to all eligible licensees to ensure that each station receives funding. Typically, base grants make up a higher proportion of the CSG for smaller, rural and minority stations.
- **Incentive grants** provide a cents-to-the-dollar match for the Non-Federal Financial Support (NFFS) that stations raise from sources such as membership, foundation grants and underwriting. Incentive grants promote sustainability.
- **Supplemental grants** may be offered to stations that meet specific eligibility requirements. They provide additional support for certain classes of stations, such as stations that are the sole media providers in their communities, serve rural areas or primarily minority audiences, or extend their service through multiple transmitters and translators. Supplemental grants may also promote efficiency and sustainability.

## **Public Television Community Service Grants**

By statute, about half of the federal appropriation goes to public television stations each year through CSGs. The CSG policy adopted in September 2019 aims to strengthen smaller stations that rely more heavily on base grants and promote station sustainability across the system. Starting in FY 2021:

- Base grants awarded to each public television licensee are 0.12% of the federal appropriation, up from 0.11%.
- Incentive grants, a cents-to-the-dollar match to non-federal funding that stations raise, is tiered at \$3 million, \$10 million and \$20 million. CPB will match all qualifying NFFS up to \$3 million. A portion of stations' qualifying NFFS funds will be matched in the \$10 million and \$20 million tiers. (The match rate is calculated annually based on the amount of funding available and the total amount of NFFS raised.) This new policy ensures that the largest stations do not receive a disproportionate share of the incentive grant funds when their NFFS growth exceeds the system's average annual increase.
- Supplemental grants will be available to support stations that serve rural audiences.
- The method for institutional licensees (state, municipality, public university or college, and school district) to calculate indirect administrative support as NFFS is standardized.

Other policy changes exempt financially viable stations that provide the only public television service to most of their viewers from the \$800,000 minimum NFFS requirement and allow CPB management to exercise discretion in how long merging CSG recipients should continue to receive separate base grants.

## **Public Radio Community Service Grants**

Representing the most significant change in decades, the CSG policy adopted in December 2019 reorganizes how public radio stations are categorized. Licensees were previously grouped into four levels through criteria that included total revenue, population density and whether the station provided the only broadcast service within a 50-mile radius. The new CSG policy regroups stations into six categories by Coverage Area Population (CAP), from less than 20,000 to more than 3 million. The changes are being phased in over three years:

- Base grants and staffing requirements are aligned by CAP categories; the smaller the population served, the larger the base grant and the smaller the staffing requirement.
- All grantees are now eligible for incentive grants, and varying portions of a grantee's total NFFS factor into incentive grant calculations: 90% of the first \$300,000 of NFFS qualifies for the incentive match, 100% of the amount between \$300,000 and \$15 million, and, by FY 2023, 80% of amounts raised over \$15 million.
- The method for institutional licensees to calculate indirect administrative support as NFFS is standardized.
- The probation period for stations not meeting all the eligibility criteria is extended from three years to four.

Approximately three-quarters of radio CSG funding is unrestricted, and the other quarter must be used to produce or purchase national programming. The restricted portion of radio CSGs accounts for about 5% of the total CPB appropriation.