



Report in Brief

Background

We performed this audit based on our annual audit plan to audit public television and radio stations.

Our objectives were to examine the station's certifications of compliance with Corporation for Public Broadcasting (CPB) grant terms to: a) claim Non-Federal Financial Support (NFFS) on Annual Financial Reports (AFR) in accordance with CPB Financial Reporting Guidelines (Guidelines); b) expend Community Service Grant (CSG) and other grant funds in accordance with grant agreement requirements; and c) comply with Certification of Eligibility requirements and statutory provisions of the Communications Act of 1934, as amended. The amount of NFFS a station reports to CPB affects the amount of CSG funding the station receives.

This report contains the views of the OIG. CPB will make the final decision on our findings and recommendations.

Send all inquiries to our office at (202) 879-9669 or email OIGemail@cpb.org or visit www.cpb.org/oig

[Listing of OIG Reports](#)

Audit of Community Service and Other Grants Awarded to Connecticut Public Broadcasting, Inc., Hartford Connecticut, for the Period July 1, 2016 through June 30, 2018

What We Found

CPBN overstated NFFS on its FYs 2017 and 2018 AFRs by \$652,002 because it:

Overstated NFFS resulted in excess CSG payments of \$78,562 and questioned costs of \$43,127.

- understated high-end premiums excluded from membership revenue;
- improperly reported funds received from public broadcasting entities and presenting fees as NFFS; and
- erroneously claimed radio funds as TV NFFS.

We also questioned salary costs of \$43,127 for lack of time records under the New England News Collaborative grant and that CPBN did not fully comply with CPB discrete accounting requirements.

The station agreed with most of our findings and implemented corrective actions to ensure proper NFFS reporting. These actions included revising procedures to improve AFR reporting and compliance with CPB grant requirements. However, CPBN disagreed that it understated high-end premiums and did not discretely account for all CPB project funds. CPB management will make the final determination on our findings and recommendations.

What We Recommend

That CPB take the following actions:

- recover the potential CSG overpayment of \$78,562;
- determine the reasonableness of or recover undocumented salary costs of \$43,127;
- require CPBN to record labor expenses for CPB grants under discrete accounting codes; and
- require CPBN to identify the corrective actions it will implement to ensure future compliance.