



## Report in Brief

### Background

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 its Annual Financial Reports (AFR) in accordance with CPB Financial Reporting Guidelines; b) expend Community Service Grant (CSG) and other 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 (Act), as amended. The amount of NFFS a station reports to CPB affects the amount of CSG funding the station receives

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

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### *Audit of Community Service and Other Selected Grants at Twin Cities Public Television, Inc., KTCA-TV, Saint Paul, Minnesota, for the Period September 1, 2013 through August 31, 2015*

#### What We Found

KTCA complied with grant and Act requirements except it overstated NFFS on its 2014 and 2015 AFRs by \$270,354 because:

**Overstated NFFS resulted in potential CSG overpayments of \$35,739.**

- it included exchange transactions that were ineligible sources of NFFS, which resulted in potential CSG overpayments of \$35,739 (\$10,239 in actual 2016 payments and potential overpayments of \$25,500 in 2017).

The station accepted our finding and has instituted corrective actions. CPB management will make the final determination on our finding and recommendations.

#### What We Recommend

That CPB take the following actions:

- require KTCA to identify the corrective actions and controls it will implement to ensure future compliance with NFFS guidelines; and
- recover \$10,239 of excess CSG payments made to KTCA in FY 2016 based on the reported FY 2014 NFFS and ensure that the corrected 2015 NFFS amount is used to calculate the FY2017 CSG award amount.