



Report in Brief

Background

We performed this audit based on our annual audit plan.

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, 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

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Audit of Community Service Grants at WXPB-FM Licensed to the Trustees of the University of Pennsylvania, Philadelphia, Pennsylvania for the Period July 1, 2013 through June 30, 2015

What We Found

WXPB overstated NFFS on its 2014 and 2015 AFRs by \$1,026,558 because it:

Overstated NFFS resulted in excess CSG payments of \$31,845 in FY 2016 and \$26,858 in FY 2017.

- did not exclude premiums provided to donors, bad debt expense, federal work study funds, and a small amount of special fundraising expenses; and,
- incorrectly calculated indirect administrative support.

The station agreed with our findings regarding NFFS with one small modification, but disagreed with our calculation of administrative support. Nonetheless, WXPB has initiated corrective actions in response to both recommendations. CPB management will make the final determination on our findings and recommendations.

What We Recommend

That CPB take the following actions:

- recover potential CSG overpayment of \$58,703; and,
- require WXPB to identify the corrective actions and controls it will implement to ensure future compliance.