



January 4, 2022

VIA ELECTRONIC MAIL

Mr. Thomas Casey  
Station Manager  
KILI-FM  
P.O. Box 150  
Porcupine, SD 57772

Dear Mr. Casey,

RE: Evaluation of KILI-FM Compliance with Selected Communications Act and  
Transparency Requirements as of August 9, 2021 (Report No. ECR2111-2114)

The evaluation referenced above concluded that KILI-FM (KILI) was compliant with five of nine select requirements in the Communications Act of 1932, 47 U.S.C. §396, et sec. (Communications Act), and in the General Provisions and Eligibility Criteria (General Provision) governing the 2021 community service grant awarded it by the Corporation for Public Broadcasting (CPB).

The specific findings and CPB's determination for KILI follow.

I. Advance Notice of Meetings

The Communications Act requires that stations provide advance notice of their open governing body meetings, open governing body committee meetings, and Community Advisory Board (CAB) meetings and CPB finds stations compliant if they provide at least seven-days' advance notice by broadcasting notice on-air between 6 a.m. and 11 p.m., as shown by the station's log<sup>1</sup>. The evaluation found that KILI did not provide evidence of adequate on-air notice for governing body or CAB meetings held during the reporting period, although KILI represented that it was compliant in its response dated September 27, 2021.

The report recommended that CPB require KILI identify the corrective actions and controls it will implement to avoid the same. In response, KILI explained that it has put procedures in place and will post advance notice on its website and ensure future documentation of on-air advance notice of meetings in its response dated September 27, 2021. Considering KILI's representations, the changes it adopted, and the penalties explained below, we are satisfied that it understands the requirements, and we require no further documentation.

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<sup>1</sup> 2021 Compliance Document, Section 1.E. Notice of Open Meetings

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Action: No further action is required of KILI.

## II. Financial Reports

CPB requires stations to post their most recent annual audited financial statements and Annual Financial Report (AFR) on their website<sup>2</sup>. The evaluation found that KILI had posted its most recent audited financial statement on its website but did not post its AFR and the report recommended that CPB require KILI identify the controls it will implement to avoid this error in the future.

KILI acknowledged this shortcoming in its September 27, 2021 response and promptly corrected the issue before the evaluation's completion. Considering KILI's swift action, the controls it adopted to avoid this issue, and the penalties explained below, we are confident that it understands the requirement and will not require additional documentation.

Action: No further action is required of KILI.

## III. CAB Members

CPB requires stations to post the members of their CAB on its website<sup>3</sup>. The report found that KILI did not list the members of its CAB on the station's website, and it recommended that CPB require KILI to identify the controls it will implement to avoid this error in the future.

KILI promptly posted its CAB members on its website before the evaluation's completion and based on the steps undertaken by KILI to correct the same, we are confident that it understands the requirement and we require no further documentation.

Action: No further action is required of KILI.

## IV. CSG Non-compliance Policy

CPB adopted the CSG Non-compliance Policy to encourage grantees to comply with the applicable provisions governing their CSG and the Communications Act. Failure to comply with a category in the Act subjects the station to a penalty of \$5,000, and failure to comply with a category in the General Provisions and Eligibility Criteria subjects the station to a penalty of \$1,000.

Considering not only the potential impact of a penalty on the station's operations, but the prompt action KILI took to correct the issues, its compliance representations, and the overall results of the report, we will assess a reduced Act penalty of \$1,000 for the open meeting non-compliance, and a reduced penalty of \$1,000 for failure to post its annual financial report and the names of its CAB members to its website.

Action: KILI must provide the \$2,000 penalty to CPB for its non-compliance with the Act and General Provisions, within 45 days of the date of this correspondence. Accordingly, please forward a check, payable to CPB, to the attention of Nick Stromann, Vice President, Controller, Corporation for Public Broadcasting, 401 Ninth Street N.W., Washington, D.C. 20004-2129.

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<sup>2</sup> 2021 Radio CSG General Provisions, Section 9B. Documents for Public Inspection: Website Posting Required

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If you wish CPB to consider additional information relating to this matter, please provide the same in writing within 30 days of the date of this letter. Otherwise, CPB will consider these determinations final, and KILI must comply with the actions set forth above. CPB reserves the right to take any other action it deems appropriate until these issues are resolved to CPB's satisfaction.

Kind regards,

*Jackie J. Livesay*

Jackie J. Livesay  
Deputy General Counsel & Vice President, Compliance

CC: VIA ELECTRONIC MAIL

William Means, Board Chair, KILI-FM  
Michael Levy, Executive Vice President & Chief Operating Officer, CPB  
J. Westwood Smithers, Jr., Senior Vice President & General Counsel, CPB  
William P. Tayman, Jr., Chief Financial Officer & Treasurer, CPB  
Kimberly Howell, Inspector General, CPB  
William J. Richardson, III, Senior Director & Deputy Inspector General, CPB  
Kathy Merritt, Senior Vice President, Radio, Journalism & CSG Services, CPB  
Katherine Arno, Vice President, Community Service Grants and Station Initiatives, CPB  
Nick Stromann, Vice President, Controller, CPB  
Andrew Charnik, Director, Radio CSG Policy & Administration, CPB  
Forrest Lillibridge, Director, Grants Administration, CPB