

# **2025** Radio Community Service Grants General Provisions and Eligibility Criteria

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Questions should be submitted to: <a href="mailto:csg@cpb.org">csg@cpb.org</a> (Include station's call letters and four-digit Grantee ID).

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# **2025** Radio Community Service Grants General Provisions and Eligibility Criteria

These Radio Community Service Grants General Provisions and Eligibility Criteria (General Provisions) set forth the requirements applicable to the Corporation for Public Broadcasting (CPB) Radio Community Service Grant (CSG) program. Part I contains the general requirements for the CSG Program, and Part II defines the terms used herein. CSG recipients must also comply with requirements in the documents identified in Exhibit A, which is attached hereto and incorporated herein by reference.

#### PART I. CSG PROGRAM

#### Section 1. Eligibility Criteria

- **A. Eligible Grantee:** An eligible grantee is a Licensee that:
  - 1. operates one or more radio stations, at least one of which is the Licensee's Flagship Station and meets the eligibility criteria herein;
  - 2. received a CSG in FY 2024 or submitted an application to CPB for CSG funding during the open application period; and
  - 3. is determined by CPB to be a qualified CSG recipient.
- **B.** Ineligible Stations: The following radio stations are not eligible to receive a CSG:
  - 1. closed-circuit or carrier current stations;
  - 2. stations that are managed and operated by and for students;
  - **3.** stations that primarily provide training programming to Licensee employees, clients, and/or representatives; and
  - **4.** stations licensed to political organizations.
- C. Additional Eligibility Criteria: Grantees in the categories below are subject to the following additional eligibility criteria:
  - 1. Joint Licensees: Joint Licensees must individually meet the requirements set forth herein and the applicable General Provisions governing their television CSG. Resources (including but not limited to NFFS, Full-time Employees and Full-time Equivalent Employees) designated to meet the requirements of one CSG may not be

used to meet the requirements for any other CSG.

- 2. Licensees Receiving Multiple Radio CSGs: Licensees receiving multiple radio CSGs must ensure that each Grantee individually meets the requirements set forth in the General Provisions. Resources (including but not limited to NFFS, Full-time Employees, and Full-time Equivalent Employees) designated to meet the requirements of one CSG may not be used to meet the requirements for any other CSG.
- **Overlapping Stations:** Overlapping stations, owned by the same Licensee, are deemed a single Grantee and do not qualify for separate CSGs.
- **D. Maintaining Eligibility:** Grantee is responsible for ensuring it is compliant with the General Provisions at all times during the Spending Period and must promptly notify CPB of any noncompliance by email to the Director, Radio CSG Policy & Administration at <a href="mailto:csg@cpb.org">csg@cpb.org</a> (or the individuals CPB subsequently designates).
  - CPB reserves the right to reduce or eliminate Grantee's current or future CSGs if CPB determines Grantee is not in compliance with the General Provisions and the CSG Agreement and Certification of Eligibility.
- **E. CPB Waiver:** CPB may, in its sole discretion and in exceptional circumstances, waive a non-statutory eligibility criterion listed in Section 1. Eligibility Criteria.

## **Section 2. Communications Act Requirements**

Grantee may not receive a CSG unless it complies with the applicable provisions of the Communications Act. In its annual CSG Agreement and Certification of Eligibility, Grantee must certify to CPB that it is compliant and will remain so throughout the Spending Period.

Certain requirements of the Act are summarized below. This summary does not include additional provisions of the Act or other applicable laws and regulations. More detailed guidance may be found in the CSG Compliance Booklet<sup>1</sup>.

- **A. Open Meetings:** Meetings of Grantee's governing body, its committees and CAB must be open to the public (47 U.S.C. § 396(k)(4)). In addition, CPB requires Grantee to give at least seven days advance notice of meetings, including the time and place, by:
  - 1. posting notice on its station website;
  - 2. broadcasting notice on-air between 6 a.m. and 11 p.m., as shown by the station's log;
  - 3. placing notice in the "Legal Notices" section of a local newspaper in general circulation in the station's primary coverage area; or
  - **4.** giving notice through a recorded announcement accessible on the station's phone system.

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<sup>&</sup>lt;sup>1</sup> June 1, 2021 edition.

- **B.** Closed Meetings: Grantee must document why any meetings of its governing body, its committees, and CAB were closed and make available to the public a written statement of the reason(s) within a reasonable time after the closed meeting (47 U.S.C. § 396(k)(4)). CPB also requires that the written statement be made available for inspection, either at Grantee's central office or on its station website, within 10 days after each closed meeting.
- C. Open Financial Records: The Act requires stations to make available to the public their annual financial and audit reports and related financial information they are required to provide to CPB (47 U.S.C. § 396(k)(5) and § 396(l)(3)(b)). CPB also requires that each Grantee post the following documents on its station website:
  - 1. its most recent audited financial statement, or unaudited financial statement if permitted; and
  - 2. its most recent AFR or FSR (whichever is applicable).
- **D. CAB:** All Grantees, other than those owned by a state, a political or special purpose subdivision of a state, or public agency, must have a CAB<sup>2</sup> (47 U.S.C. § 396(k)(8)).
  - 1. Grantee must undertake good faith efforts to ensure that its:
    - **a.** CAB meets at regular intervals;
    - **b.** CAB members regularly attend its meetings; and
    - **c.** CAB reasonably represents the diverse needs and interests of the communities served by the station.
  - **2.** The CAB's responsibilities include the:
    - **a.** right to review the station's programming goals;
    - **b.** right to review the service provided by the station;
    - c. right to review significant policy decisions rendered by the station; and
    - d. obligation to advise the station's governing body on whether the station's programming and other significant policies are meeting the specialized educational and cultural needs of the communities served by the station, and to make recommendations that the CAB deems appropriate to meet such needs.
- E. Employment Statistical Report: Each Grantee must:

<sup>&</sup>lt;sup>2</sup> This requirement includes private college or university licensees that are not "owned and operated by a State, a political or special purpose subdivision of a State, or a public agency". §396(k)(8)

- 1. file annually with CPB its Employment Statistical Report<sup>3</sup>; and
- 2. make its Employment Statistical Report available for public inspection at its central office and at each other location where there are six or more employees (47 U.S.C. § 396(k)(11)).
- **F. Donor Information:** As required by 47 U.S.C. § 396(k)(12):
  - 1. Grantee is barred from renting contributor names, donor names, or other personally identifiable information (collectively, Personal Information) to or from, or exchanging Personal Information with any federal, state, or local candidate, political party, or political committee.
  - 2. Grantee is also barred, unless required by law, from disclosing a contributor or donor's Personal Information to any Nonaffiliated Third Party, unless the station:
    - a. clearly and conspicuously notifies contributors or donors that the station may release its Personal Information to Nonaffiliated Third Parties;
    - **b.** advises contributors or donors before any disclosure that they have the option not to have their Personal Information disclosed; and
    - **c.** explains to the contributor or donor how to exercise that non-disclosure option.

## **Section 3. Recordkeeping Requirements**

Grantee must comply with the recordkeeping requirements set forth below.

A. Recordkeeping, Certification, and Audit Requirements: The Communications Act mandates recordkeeping and auditing and provides CPB and its representatives access to all records concerning a CSG. Grantee must maintain such records as CPB may in its discretion require to facilitate an effective audit. (47 U.S.C. § 396(l)(3)(B), (C), & (D)).

Additional information related to recordkeeping is found in the <u>Principles of Accounting</u>.

- **B.** Records and Documentation: Grantee must retain all CSG records, including documentation sufficient to substantiate its CSG Agreement and Certification of Eligibility, for no less than three years after the end of the Spending Period. However, CSG records must be retained for no less than 10 years, after commencement of any of the events below:
  - 1. when litigation or an audit begins before the expiration of the three-year period; and
  - 2. when CPB requests otherwise in writing.<sup>4</sup>

<sup>&</sup>lt;sup>3</sup> The Employment Statistical Report is required by the Communications Act and reported in Section 1 of the Station Activity Survey. This report is different from the FCC's Equal Employment Opportunity requirements. See Section 21. Equal Employment Opportunity.

<sup>&</sup>lt;sup>4</sup> CPB revised its records retention requirements effective FY 2015.

Notwithstanding the general three-year requirement, Grantee may need to retain some documentation for longer periods of time, if necessary, to demonstrate its compliance with the General Provisions. For example, if the calculation of indirect costs and other valuations reported as NFFS were documented in prior years, they should be retained to support compliance in the current Spending Period.

CPB reserves the right to disallow any expenditures Grantee cannot support with appropriate documentation.

- C. CSG Agreement and Certification of Eligibility: Grantee must annually submit its CSG Agreement and Certification of Eligibility to CPB. Compliance is subject to audit by CPB's Inspector General and others, and improper certification may result in loss of CSG eligibility, and penalties under the Federal False Claims Act and the CSG Non-compliance Policy.
- **D. Discrete Accounting Requirement:** During the Spending Period, Grantee must be compliant with the Discrete Accounting Requirement.
- **Expenditures and Discrepancies:** Grantee's CSG expenditures must comply with the General Provisions. Failure to comply or provide appropriate documentation may result in CPB requiring Grantee to repay to CPB a portion or all the CSG funds it received.

In the event of an improper expenditure or any discrepancies or inaccuracies in CSG expenditures, whether reported by Grantee, discovered during an audit or otherwise, CPB may, in its discretion, reduce Grantee's CSG. In the event of a CSG reduction, CPB may decide whether to recover the overpayment immediately or by reducing the current or future CSG awards. If CPB requires Grantee to return all or part of the overpayment, CPB will notify Grantee in writing of the action it intends to take.

- **F. Penalty for Late Filing:** If Grantee files any of the following beyond the required deadline or CPB-approved extension, its next CSG will be subject to a penalty. The penalty is up to 1/365<sup>th</sup> of the next CSG for each day any of the following reports are late:
  - **1.** AFR or FSR;
  - 2. Audited financial statements (or unaudited financial statements if permitted); and
  - **3.** Annual SAS.

Grantee may request up to two extensions for each report above. Joint Licensees must request separate extensions for each radio and television grantee.<sup>5</sup>

#### **Section 4. Operational Requirements**

Grantee must comply with the operational requirements below.

**A. FCC Operating Requirements:** Grantee must comply with FCC requirements for the operation of a non-commercial educational radio station throughout the Spending Period.

<sup>&</sup>lt;sup>5</sup> Instructions for requesting extensions are in the <u>Financial Reporting Guidelines</u> (Part II, Section XV) and in the <u>SAS</u> instructions (General Instructions Section).

Failure to comply with FCC requirements and the terms of the station's broadcast license may, at CPB's discretion, result in the loss or return of its CSG.

- **B.** Operating Power: Grantee must operate a broadcast station that has an ERP of 100 watts or greater in the case of an FM radio station or an operating power of 250 watts or greater in the case of an AM radio station. However, AM stations operating at less than 250 watts at certain times because of license restrictions, will remain CSG qualified if:
  - o the station meets all other requirements in the General Provisions; and
  - O CPB determines, in its sole discretion, that issuance of a CSG would further CPB's statutory goals of universal service and provide service to unserved or underserved audiences.
- C. Broadcast Schedule: Grantee's primary signal must have a broadcasting schedule of at least 18 consecutive hours per day, seven days per week, for 52 weeks per year. However, shared time radio stations meet this criterion if they operate at the maximum level authorized by the FCC.

The substantial majority of Grantee's daily total programming hours broadcast on its primary channel and all multicast channels must be devoted to CPB-Qualified Programming.

- **D.** Locally Originated Program Service: Grantee must originate a local program service designed to serve its community's needs and interests.
- **E. Facilities:** Grantee must have sufficient, professionally equipped on-air and production facilities to broadcast programming of high technical quality, including the capability for simultaneous local production and origination. In addition, Grantee must provide sufficient office space suitable for station operations.

#### **Section 5. Staffing Requirements**

**A. Staffing Requirements:** Grantee must employ at least the number of staff for its respective CAP Categories as set forth in the following table with the exception of Sole Service grantees, which have no minimum staffing requirements.

Staffing Requirements								
CAP Category 1 2 3 4 5 6								
<b>Minimum Number of Employees</b>	2	2	2	3	4	4		
Minimum Full-time Employees	ne Employees 2							

**B.** Calculating Full-time and Full-time Equivalent Employees: Positions funded by the CSG shall not be counted toward satisfying the required Full-time Employee or Full-time Equivalent Employee professional minimum staffing requirements. The minimum staffing requirement for each CAP Category may be met with a combination of Full-time and Full-time Equivalent Employees, provided no fewer than two employees are Full-time Employees. All Full-time and Full-time Equivalent Employees must work on an annual (12-month) basis.

At least two Full-time Employees must be employed in a managerial and/or programming position.

- C. On-the-Job Training: Custodial and clerical staff, students whose student status is a condition of employment, interns, and persons enrolled in programs of formal on-the-job training shall not be counted toward satisfying the minimum staffing requirements, nor shall personnel teaching or fulfilling other academic duties in excess of the equivalent of one three-hour credit course per quarter or semester.
- **D. MASS Grantees:** MASS Grantees may count Full-time Equivalent Employees staff toward the Full-time Employee staffing requirement.

#### **Section 6. Minimum NFFS**

Grantees that do not meet the required minimum NFFS for their CAP Category (shown in the table below) for three consecutive years automatically lose their future CSG eligibility, as explained below.

- **A. Minimum NFFS:** Grantee must meet the minimum NFFS in the table below for its CAP Category, using its 2023 fiscal year AFR or FSR, whichever is applicable.
- **B. Minimum Direct NFFS:** At least fifty percent of Grantee's minimum NFFS must be Direct NFFS.

Minimum NFFS and Direct NFFS								
CAP Category 1 2 3 4 5 6								
Minimum NFFS	\$250,000 \$275,000 \$300,000 \$300,000 \$400,000 \$500,0							
MASS or RASS	\$250,000	\$250,000	\$275,000	\$275,000	\$300,000	\$400,000		
Both MASS and RASS <sup>6</sup>	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000		
Minimum Direct NFFS	50% of Minimum NFFS							

- C. First Notice: If Grantee fails to satisfy its minimum NFFS requirement based on Grantee's 2023 fiscal year AFR or FSR (whichever is applicable), CPB will provide Grantee with written notice of the same (first notice). After receiving the first notice, Grantee will continue to be eligible to participate in the FY 2025 CSG program.
- **D. Second Notice:** If, after receiving a first notice, Grantee fails to satisfy its minimum NFFS requirement based on Grantee's 2024 fiscal year AFR or FSR (whichever is applicable), CPB will notify Grantee in writing of its continued failure to comply (second notice). After receiving the second notice, Grantee will continue to be eligible to participate in the FY 2026 CSG program.
- **E. Third Notice:** If, after receiving a second notice, Grantee fails to satisfy its minimum NFFS requirement based on Grantee's 2025 fiscal year AFR or FSR (whichever is applicable), CPB will notify Grantee in writing of its continued failure to comply (third notice). After receiving the third notice, Grantee will be eligible to participate in the FY 2027 CSG program.

<sup>&</sup>lt;sup>6</sup> Stations that must have a minimum NFFS of \$100,000 include MASS stations with a minority cume composition of at least 75% and stations that qualify as both MASS and RASS stations.

F. Ineligibility: If, after receiving first, second, and third notices, Grantee is unable to meet its minimum NFFS based on Grantee's 2026 fiscal year AFR or FSR (whichever is applicable), Grantee will automatically become ineligible to receive a CSG in FY 2028 and will be removed from the CSG program. CPB will notify Grantee in writing of its ineligibility.

However, if Grantee meets its minimum NFFS based on Grantee's 2026 fiscal year AFR or FSR (whichever is applicable), Grantee will continue to be eligible to participate in the FY 2028 CSG program.

**G.** Recurring Non-Compliance: If a Grantee, after receiving first, second, and third notices in consecutive years, is compliant when filing the required AFR or FSR (whichever is applicable), for the FY 2028 CSG, but unable in any of the subsequent four CPB fiscal years (FY 2029 through FY 2032), to meet its required minimum NFFS for that period, Grantee may be given up to three additional years to become compliant.

After considering Grantee's situation, CPB will in its sole discretion determine whether Grantee will receive up to three additional fiscal years to become compliant. If Grantee is not compliant at the end of the selected period, Grantee will automatically be ineligible to receive a CSG. CPB will notify Grantee in writing of its ineligibility.

**H. Summary Table:** The table below summarizes the CSG notice and compliance requirements.

Notice and Compliance	Eligible	Ineligible
First Notice – comply or fail to comply	✓	
Second Notice – comply or fail to comply	✓	
Third Notice – comply or fail to comply	✓	
First, Second and Third Consecutive Notices – fail to comply		✓

#### **Section 7. Audience Service Criteria**

- **A. MASS Grantees:** In order to receive a CSG, MASS Grantees must meet at a minimum 50 percent of at least one of the applicable index goals in the tables below.
- **B.** Sole Service: Sole Service Grantees are not subject to the indices in either table below.
- **C. All Other Grantees:** Grantees, excluding MASS and Sole Service Grantees, must meet either:
  - 1. the News or Non-News Listening Index Goals set forth in the table below and associated with Grantee's CAP; or
  - 2. the News or Non-News Community Financial Support Index Goals set forth in the table below, and associated with Grantee's CAP.

Grantees failing to satisfy the applicable ASC when applying for a CSG are subject to the restrictions and potential loss of CSG eligibility as detailed below.

Listening and Community Financial Support						
Index Requirements						
FY 2025 Listening Index		FY 2025 CFS Index				
Average AQH *10,000	OR	CFS *100				
CAP		CAP				

- MASS Grantees need only meet one half of the applicable index.
- Sole Service Grantees are not subject to the Index Requirements.
- Alternatively, CPB may agree to accept AQH measurements from any two Nielsen Radio survey periods within the 24 months preceding FY 2025, provided those survey periods are at least six months apart.

CAP		ng Index oal	Community Financial Support Index Goal		
CAI	News	Non- News	News	Non-News	
> 5 million	13	7	50	14	
1 - 5 million	17	10	56	27	
500,000 - 1 million	21	13	57	42	
< 500,000	10	10	89	108	

- **D. First ASC Notice:** A Grantee that fails to satisfy the applicable ASC and:
  - 1. has met the applicable ASC during the four years prior to FY 2025, will be required to use the ASC Funds to cover all or a portion of the cost of Compliance Projects; and
  - 2. will remain eligible for a CSG after receiving the first ASC notice, provided Grantee meets all other requirements in the General Provisions.

CPB will notify Grantee of said failure, which is deemed Grantee's first ASC notice.

- **E. Recurring Notices & Exception:** If Grantee fails to satisfy the ASC and:
  - 1. has failed to meet the applicable ASC during one or more of the four years prior to FY 2025, Grantee must use the ASC Funds to cover all or a portion of the cost of Compliance Projects; and
  - 2. Grantee will remain eligible for an FY 2025 CSG after receiving the second and third ASC notices, provided Grantee meets all other requirements in the General Provisions. CPB reserves the right, after reviewing the circumstances surrounding Grantee's operations, to determine, in its sole discretion, whether Grantee shall be considered as a recipient of a first, second, or third ASC notice. CPB will notify Grantee in writing of its decision.
- **F.** Loss of Eligibility: Grantees that have received a third ASC notice and failed to satisfy the applicable ASC requirements when applying for an FY 2025 CSG will not be eligible to participate in the CSG program.
- **G. Recovery of Eligibility:** Grantees that have lost at any time their eligibility to receive a CSG because of failure to meet the applicable ASC requirements may be permitted to participate in

FY 2025 and future years' CSG programs if CPB, in its sole discretion, approves the same, and Grantee:

- 1. makes successful application to receive a CSG;
- **2.** meets the applicable ASC requirements;
- 3. is found by CPB to be in compliance with the General Provisions; and
- 4. is not barred from participating in the current or future CSG program pursuant to a CPB management determination letter issued in response to an audit conducted by CPB's Inspector General or otherwise.
- **H. Summary Table:** The table below summarizes the ASC notice and compliance requirements.

ASC Notice and Compliance	Notice	Subject To Compliance Spending	Eligible	Ineligible
First notice – no failure in prior four years	1 <sup>st</sup>	<b>✓</b>	<b>√</b>	
First notice – failed in prior four years	2 <sup>nd</sup> or 3 <sup>rd</sup> unless CPB deems otherwise	<b>✓</b>	✓	
First, second, and third consecutive notices in FYs 2022, 2023 and 2024 and failed to meet FY 2025 ASC requirements				<b>√</b>

- **I. Compliance Project Expenditures:** Expenditures that qualify for Compliance Projects include but are not limited to the following:
  - 1. internal or external analyses of station operations;
  - 2. acquisition of audience research;
  - **3.** investments in new local or national programming;
  - 4. investments in new staff, provided the staff are not used to meet the minimum staffing requirements necessary for CSG eligibility; and
  - 5. investments in increasing or improving development efforts.
- J. Reporting Compliance Project Spending: Grantee will be required to report to CPB in writing on the nature, scope, and implementation of the Compliance Projects undertaken within the timeframe established by CPB.

#### **Section 8. Community Representation Statement**

The Communications Act requires CPB to support diverse non-commercial educational content for unserved and underserved audiences and to make public media's content available for free to rural and urban audiences throughout the United States. Locally owned and operated public media stations are uniquely connected to America's communities and positioned to reflect and serve the diverse and varying populations of their communities.

CPB encourages stations to continue to reflect and include their communities in station employment, membership on boards primarily responsible for station governance, community advisory boards (if required) and to provide educational, informational, and cultural content that meets the needs of the community populations they serve. Station activities and practices in support of these objectives must be consistent with the Equal Employment Opportunity provisions in the General Provisions and with other applicable federal and state laws.

To affirm this ongoing commitment, stations are required to adopt a "Community Representation Statement" that documents their support of these goals and how they plan to achieve them. The Community Representation Statement must be posted on the station's website or made available at its central office. Stations must biennially review their Community Representation Statement with the station's governing board or Licensee Official and modify it as necessary to reflect significant changes in their communities' populations served and their strategies to serve them.

## **Section 9. Transparency**

A. Public Inspection of Documents and Website Posting: To ensure transparency and public confidence in the use of CPB funds, the Communications Act requires Grantees to make certain documents available for public inspection. As set forth below, CPB also requires public access to other documents, and specifies how all documents must be made available for inspection, either by maintaining them at Grantee's office or by posting them on its station website.

Website posting is not mandatory for all documents, but Grantees are encouraged to post all required information, including meeting notices, for convenience of public access. For purposes of these General Provisions, "station website" includes the website of Grantee's station, if it has one, and if not then its Licensee's website or an affiliated station's website. If Grantee has none of the foregoing, it may, with CPB's approval, use a website shared by other public broadcasting stations.

- **B. Documents for Public Inspection: Website Posting Required:** At a minimum, each Grantee must post the following for public inspection on its station website.
  - 1. Station Senior/Executive Management: The names, titles and contact information;
  - 2. Governing Body: A list of the members of its governing body;
  - 3. CAB Members: A list of its CAB members; and
  - 4. The most recent financial records (audited or unaudited financial statements and the AFR or FSR) as required by Section 2(C), Communications Act Requirements.

- C. Documents for Public Inspection: At Central Office or on Station Website: At a minimum, each Grantee must maintain the following documents for public inspection at its central office, or post the same on its station website:
  - 1. Community Representation Statement (Section 8); and
  - **2.** LCSR which is Section 6 of the SAS.

#### **Section 10: Training Requirements**

- A. Annual Harassment and Bias Prevention Training: To ensure that CPB-supported public media stations train their personnel to recognize, avoid and report workplace discrimination, including harassment and bias, CPB requires annual harassment and bias prevention training for all officers, employees, and interns of each station as a condition of Grantee's CSG eligibility. Grantee may satisfy this requirement through either of the following training options:
  - 1. An interactive online harassment and bias prevention training service, available free of charge through CPB, that instructs your personnel, individually on the following topics:
    - What constitutes acceptable and unacceptable workplace behavior;
    - How to recognize harassment and bias when it occurs; and
    - How to report and respond to violations.
  - 2. A comparable harassment and bias prevention training program of Grantee's choice. The program will be considered "comparable" if it instructs Grantee's personnel individually, either in person or online, on the three topics above.
- **B.** Annual CPB-sponsored Compliance Training: Grantee must complete at least one live webinar or in-person CPB-sponsored compliance training session annually.

#### **Section 11. Donor Privacy**

Grantee must comply with all applicable federal and state laws and regulations regarding donor privacy and data security.

#### Section 12. Permitted CSG Expenditures: Unrestricted and Restricted

Pursuant to the Communications Act, CSG funds distributed "... may be used at the discretion of the recipient for purposes related primarily to the production or acquisition of programming (47 U.S.C.  $\S$  396(k)(7)).

CSGs are divided into unrestricted and restricted amounts, each subject to the different spending constraints set forth below. However, both the unrestricted and restricted CSG amounts must be used to support Grantee's ability to expand the quality and scope of services it provides to the community it serves.

- A. Unrestricted CSG: Unrestricted CSG expenditures must fall into one of seven categories, which include salaries and benefits for personnel engaged in those activities as shown in Exhibit B, attached hereto and incorporated herein by reference. Grantee may not use any of the unrestricted CSG to cover salaries and benefits for Full-time or Full-time Equivalent Employees used to satisfy Grantee's Staffing Requirements, Section 5.
- **B.** Restricted CSG: Restricted CSG funds must be used as specified in Section 396(k)(3)(A)(iii) of the Communications Act, which provides that the funds are "solely to be used for acquiring or producing programming that is to be distributed nationally and is designed to serve the needs of a national audience."

Accordingly, for all CAP Categories, the restricted portion of the CSG must be spent on national program production and acquisition costs and be used exclusively for the acquisition, production, promotion, and/or distribution of national programming of high quality, diversity, creativity, excellence, and innovation, with strict adherence to objectivity and balance in all programs or series of programs of a controversial nature.

To qualify as a national program for funding from CSG funds, a program must be placed in the national marketplace of public radio programming. In addition to the purposes described in the previous paragraph, the restricted portion may be used for the direct costs associated with placing a program produced with CSG funds into the national marketplace, such as the cost of purchasing satellite time or other direct distribution costs.

Expenditures from the restricted portion of the CSG must fall into one of the following four categories:

- 1. **Production Expenditures:** Production expenditures include Grantee's production of programs for national distribution and the payments Grantee makes directly to independent producers to produce programs for national distribution.
- 2. Program and Content Acquisition Expenditures: Program and content acquisition expenditures include payments to public broadcasting entities that act as producers and/or distributors for national programs. It also includes payments Grantee makes to acquire programs from producers (commercial and nonprofit), including independent producers acting as their own distributors, provided the programming is CPB-Qualified Programming.
- 3. **Distribution Expenditures:** Distribution expenditures include distribution/interconnection fees, uplink fees, satellite space costs, and supplies related to the national distribution of locally produced or acquired programming. It also includes broadcast, transmission, and technical costs. It does not include the cost of equipment.
- **4. Promotion Expenditures:** Promotion expenditures include the costs of promoting acquired national programs and nationally distributed programs whether produced by Grantee or by independent producers under contract to Grantee.

Grantee must ensure that any program produced or acquired with the restricted portion of CSG funds must include appropriate underwriter credit for CPB, identifying CPB's

#### **Section 13. Other Restricted CSG Expenditures**

Grantee's use of CSG funds is further restricted as follows:

- **A. Entertainment:** Grantee shall not use any CSG funds for purposes of conducting any reception or providing any other entertainment for any officer or employee of the federal government, or any state or local government (47 U.S.C. § 396 (k)(2)(A)).
- **B.** Influencing Legislation: Grantee shall not use any CSG funds to pay the salary or expenses of Grantee's staff, or its agents, related to any activity designed to support, defeat, or influence legislation or appropriations before Congress, or any state legislature (26 U.S.C. § 501(c)(3)).

Grantee shall not use any CSG funds for activities designed to support, defeat, or influence legislation or appropriations pending before the Congress, or any state legislature. This also refers to activities including, but not limited to:

- 1. publicity or propaganda; and
- 2. the creation, distribution, or use of any kit, pamphlet, booklet, social media communications, publication, and radio, television, or video presentation.

However, if these activities support a presentation Grantee makes to or at the request of the Congress, any state legislature, or in support of recognized executive-legislative relationships, they may be exempt (26 U.S.C. § 501(c)(3)).

- **C. CPB-Qualified Programming:** Grantee shall not use any CSG funds to cover the cost of producing, acquiring, or distributing programs, unless they are for CPB-Qualified Programming.
- **D. Restricting CSG Funds:** Grantee may not impound or otherwise withhold or inappropriately restrict the station's use of CSG funds. CSG funds may not be used to supplant funds or reduce budgets for other support already being provided to the station(s) by Grantee.
- **E. Overhead Expenses:** Grantee shall not use CSG funds to offset a Licensee's overhead or for any other expenses not directly related to the operation of the station, unless such overhead and expenses are enumerated in Section 4, Operational Requirements.
- **F. Sale of Assets:** Grantee shall use CSG funds and the proceeds from the sale of assets acquired with CSG funds solely for the benefit of the public broadcast radio station.

- G. Staffing Costs: Full-time Employees whose salaries are paid using CSG funds must exercise full-time responsibilities over the public broadcast radio station's operations. Grantee shall not require said personnel to perform duties unrelated to the public broadcast radio station's operation. For Full-time Employees whose salaries are partially paid using CSG funds, Grantee shall ensure that the portion of their salary paid with CSG funds shall not exceed the percentage of said employees' time spent on the public broadcast radio station's operations.
- **H. Standard Pricing:** Grantee shall not use CSG funds for personnel services, programming (production and acquisition) expenses, or the cost of technical facilities in excess of the standard amounts Grantee usually pays for the same under similar circumstances.

#### **Section 14. Spending Period**

CSG funds must be expended during the Spending Period in accordance with the purposes and restrictions set forth in these General Provisions, and the Financial Reporting Guidelines, incorporated herein by reference. Any funds not expended during the Spending Period must be returned to CPB no later than November 3, 2026.

Expenditures inconsistent with these shall be considered unauthorized expenditures and must be returned to CPB pursuant to Section 18. Return of Funds. Once the Spending Period expires, Grantee may not reallocate disallowed expenditures.

#### Section 15. CSG Payments and Report Due Dates

- **A. CSG Payments:** CSGs will be disbursed to Grantee in two installments. However, each CSG payment is contingent upon Grantee's compliance with these General Provisions and submitting all required forms, reports, and/or other documents and information required by CPB.
- **B. CSG Offer Expiration:** Grantee's Head of Grantee and Licensee Official must execute its CSG Agreement and Certification of Eligibility by June 30, 2025, or risk forfeiting its CSG as determined by CPB. If Grantee prefers to receive the CSG payment at a different date, Grantee must notify CPB in writing at <a href="mailto:csg@cpb.org">csg@cpb.org</a>.
- C. Reporting Requirements: To avoid penalties and delayed disbursement of CSG payments, Grantee must submit all required documents and reports to CPB on time. The financial forms (AFR or FSR and financial statement) are due within five months after the close of Grantee's fiscal year. As a condition of receiving the CSG, Grantee must also complete and submit its annual SAS (including the LCSR) to CPB by February 15. If Grantee submits any of these documents after the filing deadlines, as determined by CPB, Grantee will be subject to a financial penalty set forth in Section 3(F), Recordkeeping Requirements.

Grantee must submit a separate AFR or FSR and audited financial statement to CPB for each radio and television CSG it receives. However, if multiple stations are licensed to or operated by the same entity, Grantee may submit a consolidated financial statement as provided in the Financial Reporting Guidelines.

Those submitting an FSR with Total Station Revenue of less than \$300,000 in the reporting year (i.e., Grantee's fiscal year) have the option of submitting an audited or unaudited financial statement. Those with Total Station Revenue of \$300,000 or more must submit an audited financial statement. Audited financial statements must include an attestation by Grantee's independent accountant that its FSR complies with the Financial Reporting Guidelines.

Financial Form	Grantee TSR	Financial Statement Required
AFR	N/A	Audited
FSR	< \$300,000	Audited or Unaudited
FSR	≥ \$300,000	Audited

#### Section 16. Extent of CPB Commitment

CPB makes no commitment or representation, expressed or implied, to provide Grantee funds in excess of the CSG for which Grantee qualifies and CPB determines is appropriate. CSG awards are contingent upon CPB receiving its federal appropriation. In the event reductions occur in the amount of that appropriation, which is allocated to CSG awards, whether by rescission or otherwise and whether before or after CSG funds are paid to Grantee, the CSG awards shall be recalculated based on the revised appropriation and reduced accordingly. CPB will notify Grantee of the amount of any such reduction, and Grantee shall promptly return the amount to CPB. CPB may, in its sole discretion, elect to recover all or part of such funds immediately or by reducing future payments that may be due Grantee under this or any other CPB grant program.

#### **Section 17. Termination**

CPB reserves the right to terminate Grantee's CSG if it fails to comply with the General Provisions or provides inaccurate information to CPB in any certification required by the General Provisions or any CSG-related document. Upon termination, CPB may, in its sole discretion, require Grantee to return CSG funds pursuant to Section 18, Return of Funds.

#### **Section 18. Return of Funds**

- **A.** Unused Funds: All FY 2025 CSG funds that are not expended by September 30, 2026, must be returned to CPB on or before November 3, 2026.
- **B.** Unauthorized Expenditures: Unauthorized CSG expenditures shall be repaid by Grantee to CPB immediately upon CPB's request.
- C. Loss of CSG Eligibility: When a Grantee is no longer eligible to receive a CSG, CPB, in its sole discretion, may require Grantee to return CSG funds, as set forth below.
  - 1. In any of the situations described in paragraphs (2) or (4) below, CPB may require a recipient of a CSG to return the greater of:
    - a. all unexpended CSG funds from grant periods that have not yet expired; or

- b. the amount equal to the *pro rata* monthly share of the total CSG for all grant periods that have not yet expired, multiplied by the number of full months remaining in the grant period(s).
- 2. In addition to the amount that CPB may require a CSG recipient to return under paragraph (1) above:
  - a. If any recipient of a CSG effectuates a transfer of control, assignment, or lease of its broadcast license to a non-CSG-qualified organization, whether or not effectuated in accordance with Section 19, Assignment, CPB may require the recipient to return an amount not to exceed the greater of: (a) twenty percent of the sale price in the event of a sale, (b) twenty percent of the amount to be paid under the lease over the course of its term in the event of a lease, or (c) twenty percent of all CSG funds that have been provided, as calculated on a *pro rata* monthly basis, during the 24-month period preceding the effective date of the Grantee's agreement for transfer of control, assignment, or lease; or
  - b. If any recipient of a CSG ceases to operate a qualified public radio service due to the relinquishment or loss of its broadcast license, CPB may require the recipient to return an amount not to exceed fifteen percent of all CSG funds that have been provided, as calculated on a *pro rata monthly* basis, during the 24-month period preceding the date on which the relinquishment or revocation becomes final (*i.e.*, no longer subject to administrative or judicial review), provided, however, that if the relinquishment of a broadcast license is related to a merger or consolidation with another CSG-qualified organization, then CPB's ability to require the return of funds shall be governed by paragraph (3) below rather than this paragraph; or
  - c. If CPB determines that any recipient of a CSG, for any reason other than those set forth in paragraphs (1) and (2) above, is no longer qualified to receive CSG funds (including but not limited to as a result of a failure to comply with any requirement of these General Provisions or the imposition by the FCC of limits upon its operations), CPB may require the recipient to return an amount not to exceed fifteen percent of all CSG funds that have been provided, as calculated on a *pro rata* monthly basis, during the 24-month period preceding the date on which CPB determines that the recipient was no longer qualified.

#### **3.** If a Grantee:

- a. effectuates a transfer of control, assignment, or lease of its broadcast license to a non-CSG-qualified organization that, as a result of the transfer of control, assignment, or lease desires to become a CSG-qualified organization and is otherwise qualified, or
- **b.** relinquishes its broadcast license pursuant to a merger or consolidation with another CSG-qualified organization, and
- c. complies with the requirements of Section 19. Assignment, CPB may, in its sole discretion, permit the recipient to assign any of the funds that CPB might otherwise require the recipient to return pursuant to paragraph (1) above to the

organization with which the recipient's operations were or are to be merged or consolidated, provided that the recipient demonstrates to CPB's satisfaction that such funds will be used in accordance with these General Provisions.

- 4. If any recipient of a CSG effectuates a transfer of control, assignment, or lease of its broadcast license to another CSG-qualified organization and complies with the requirements of this Section, CPB may, in its sole discretion, permit the recipient to assign any of the funds that CPB might otherwise require the recipient to return pursuant to paragraph (1) above to the CSG-qualified transferee or lessee, provided that the recipient demonstrates to CPB's satisfaction that such funds will be used in accordance with these General Provisions.
- **D.** Procedures for Return of Funds: In all cases in which funds must be returned, checks shall be made payable to the Corporation for Public Broadcasting, and forwarded to Vice President and Controller, Corporation for Public Broadcasting, 401 9<sup>th</sup> Street, N.W., Washington, DC 20004. Grantee should communicate to CPB the amount of the returned funds attributed to unrestricted and/or restricted funds. If Grantee fails to return funds due to CPB, CPB reserves the right to offset said amount due against Grantee's future CSG payment(s).

#### Section 19. Assignment

Grantee may not assign any of its rights or obligations hereunder in whole or in part (even if a third party becomes responsible for providing programming for all or part of a station's broadcast schedule or any other aspect of Licensee's broadcast operations) without CPB's prior written consent.

#### **Section 20. Nondiscrimination**

Grantee must comply with the nondiscrimination provisions set forth below.

- **A. Discrimination:** Grantee shall not discriminate against any employee or applicant for employment because of race, color, religion, age, sex, national origin, or physical or mental handicap. Grantee will take affirmative action to ensure that applicants are considered for employment without regard to their race, color, religion, age, sex, national origin, or physical or mental handicap.
- **B.** Laws and Regulations: Grantee shall comply with all laws and regulations prohibiting discrimination on the basis of race, color, religion, age, sex, national origin, or physical or mental handicap that may be applicable to Grantee, including but not limited to the following:
  - 1. Title III of the Public Telecommunications Financing Act of 1978 (47 U.S.C. § 398);
  - 2. Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2002e);
  - **3.** Equal Pay Act of 1963 (29 U.S.C. § 206);
  - 4. Age Discrimination in Employment Act of 1967 (29 U.S.C. § 621-634);
  - 5. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2002d);
  - 6. Title IX of the Education Amendment of 1972 (20 U.S.C. § 1681);
  - 7. Title V of the Rehabilitation Act of 1973 (29 U.S.C. § 790-794); and

- **8.** FCC's regulations concerning equal employment opportunity (47 C.F.R. § 73.2080).
- **C. Subcontracts:** Grantee must include the provisions of this Section in all contracts and subcontracts funded by its CSG.

## **Section 21. Equal Employment Opportunity**

Grantee must certify in its CSG Agreement and Certification of Eligibility to CPB that it complies with the FCC Rules concerning equal employment opportunity (47 C.F.R. § 73.2080) and the requirements in the Communications Act concerning equal employment opportunity (47 C.F.R. § 396 (k)(11) (A).<sup>7</sup>

#### **Section 22. Other Nondiscrimination Requirements**

- A. Discrimination Claims: Grantee acknowledges that CPB is a private, nonprofit corporation and does not have the legal authority to investigate and adjudicate complaints alleging discriminatory practices by Grantee. CPB will, therefore, refer all such complaints it receives to a government agency with jurisdiction to conduct any proceedings that may be appropriate. Further, CPB will cooperate fully with every such agency with jurisdiction to inquire into alleged discriminatory practices by a Grantee.
- **B.** Applicable Laws and Regulations: Grantee acknowledges that the laws and regulations prohibiting discrimination against persons on the basis of race, color, religion, national origin, age, sex, or physical or mental handicap may be federal, state, or local and may vary from jurisdiction to jurisdiction.
  - Grantee represents and warrants that it knows, understands, and applies the laws and regulations regarding discrimination and acknowledges that CPB is under no obligation to advise Grantee of the same unless required by law or regulation.
- C. Suspension or Cancellation of CSG: Whenever a court or government agency with jurisdiction shall make a determination that Grantee is in violation of federal, state, or local laws and regulations prohibiting discrimination on the basis of race, color, religion, age, national origin, sex, or physical or mental handicap, and notice of such determination is provided to CPB, CPB shall promptly notify Grantee that, unless Grantee demonstrates to CPB's satisfaction, within 30 days, that the violation has been corrected or that Grantee is in compliance with all provisions of such determination, CPB may suspend or cancel all CSG or other CPB funding.

Whenever such determination is appealed or otherwise challenged in an appropriate forum, whether or not the effect of such determination is stayed pending appeal, CPB shall notify Grantee that, unless Grantee can show cause to the contrary within 30 days, CPB shall suspend or cancel CPB assistance. If CPB decides to suspend or cancel such funding, all sums that would have been payable to Grantee shall be held by CPB pending completion of the

<sup>&</sup>lt;sup>7</sup> FCC requirements are different from CPB's Employment Statistical Report requirements, which are detailed in Section 2(E), Communications Act Requirements.

appellate process, and CPB shall not suspend or cancel its non-financial and/or in-kind assistance during the appeal.

#### Section 23. Governing Law and Jurisdiction

Except as otherwise required by law, the General Provisions and all instruments between Grantee and CPB related thereto shall be construed in accordance with the laws of the District of Columbia. Notwithstanding the jurisdiction of any other court, by accepting a CSG, Grantee expressly submits and consents in advance to the jurisdiction of the Superior Court of the District of Columbia and the U.S. District Court for the District of Columbia for all claims or disputes pertaining directly or indirectly to any CSG or any program set forth in the General Provisions, or any matter related thereto. Grantee further agrees that in any action or proceeding commenced in any court in the District of Columbia, Grantee shall be deemed to have been duly served with process of such court when process is delivered to Grantee personally or by certified or registered mail (return receipt requested) within or outside of the District of Columbia.

#### **Section 24. Amendment to General Provisions**

CPB reserves the right, in its sole discretion, to amend the General Provisions and will notify Grantee of the same. Grantee will be deemed to agree and comply with the amendments unless it notifies CPB otherwise in writing within 30 days of receipt of CPB's notification.

Upon receiving Grantee's notification, Grantee will be disqualified from the CSG program and Grantee shall immediately repay CPB any amounts due CPB under Section 18, Return of Funds.

#### Section 25. Headings

The headings contained herein are for convenience only and shall not be interpreted to limit or otherwise affect the provisions herein.

#### PART II. DEFINITIONS

The following terms are defined as set forth below.

- **A. Annual Financial Report (AFR):** The financial information that Grantee must annually report to CPB, detailed in the FY 2024 <u>Financial Reporting Guidelines.</u>
- **B.** Annual Financial Summary Report (FSR): The financial information CPB permits certain Grantee to annually report to CPB in lieu of an AFR, detailed in the FY 2024 Financial Reporting Guidelines.
- **C. ASC:** Audience Service Criteria.
- **D. ASC Funds:** Twenty-five percent of a station's CSG that is not restricted under Section 12, Permitted CSG Expenditures: Unrestricted and Restricted.
- E. Average Quarter Hour Persons (AQH Persons): The average number of persons listening to a station for at least five minutes during a 15-minute period.
- F. Average AQH: The average of the station's two prior years' AQH Persons, reported by Nielsen Radio in its spring survey period (e.g., to calculate the Listening Index for FY 2025 CSGs, Nielsen Radio's spring 2022 and spring 2023 AQH must be averaged).
- **G.** Calculation Document: The document that identifies the methodology CPB applies to calculate the CSG that a Grantee is eligible to receive. The methodology is attached hereto and incorporated herein as Exhibit C.
- **H. CAP Category:** The six categories determined by the CAP ranges in Exhibit C.
- I. Communications Act: The Communications Act of 1934, as amended (47 U.S.C. § 396, et seq.).
- J. Compliance Booklet: A booklet titled "Compliance, June 1, 2021" that explains certain Communications Act and General Provisions requirements applicable to CSG recipients, which is incorporated herein by reference.
- **K.** Community Advisory Board (CAB): An advisory body most radio stations are required to maintain pursuant to the Communications Act.
- **L.** Community Financial Support (CFS): For Grantee required to file an AFR, their CFS is the total of the following lines in Schedule A of their 2023 fiscal year AFR:
  - 1. Line 3.1C Appropriations from the Licensee
  - 2. Line 8 Foundations and Nonprofit Associations
  - **3.** Line 9 Business and Industry
  - **4.** Line 10 Memberships and Subscriptions

- **5.** Line 11 Revenue from Friends Groups (less any revenue included on Line 10)
- **6.** Line 13 Net Auction Revenue
- 7. Line 14 Net Revenue from Special Fundraising Activities
- **8.** Line 19 Gifts and Bequests from Major Donors

For Grantee required to file an Annual Financial Summary Report, their CFS is the total of Lines 4.1, and Lines 6 through 9 of their 2023 fiscal year FSR.

- M. Community Service Grant (CSG): Unless otherwise identified, an FY 2025 Radio Community Service Grant awarded to a Grantee by CPB.
- **N. Compliance Projects:** Projects undertaken by a Grantee that does not meet the ASC requirement and designed to assist it in becoming compliant with the same.
- O. Coverage Area Population (CAP): The population within a station's coverage area based on contours specified by CPB (consistent with the rules and policies of the Federal Communications Commission) and the most recent population data published by the U.S. Census Bureau. A station's coverage area is defined by the primary signal coverage standard of 1mV/m (60 dBu) for FM and 5mV/m (73.979 dBu) daytime, ground wave for AM.
- **P. CPB:** The Corporation for Public Broadcasting.
- **Q. CPB-Qualified Programming:** General audience programming broadcast that serves a station's demonstrated community needs of an educational, informational, or cultural nature.

Programs that are not considered CPB-Qualified Programming include but are not limited to:

- 1. programming that furthers the principles of particular political or religious philosophies; and
- **2.** programming designed primarily for in-school or professional in-service audiences.
- **R. CSG Agreement and Certification of Eligibility:** The agreement each CSG Grantee must submit to CPB electronically through CPB's Integrated Station Information System, certifying Grantee's compliance with the terms and conditions of its CSG, including applicable requirements in the Communications Act and General Provisions.
- **S. Direct NFFS:** Direct NFFS for the applicable fiscal year is Grantee's NFFS reduced by NFFS attributed to in-kind contributions and indirect administrative support.
- **T. Discrete Accounting Requirement:** Grantee must use unique accounting codes for CSG revenues and expenses restricted and unrestricted. Specifically, Grantee's accounting systems must be able to generate a report showing CSG revenues and how

- those funds were expended, using unique accounting codes. Those accounts may not include non-CSG revenues or expenses.
- U. Effective Radiated Power (ERP): As defined by the FCC, ERP is the product of the antenna power (transmitter output power less transmission line loss) times: the antenna power gain or the antenna field gain squared. Where circular or elliptical polarization is employed, ERP is applied separately to the horizontal and vertical components of radiation. For allocation purposes, ERP authorized is the horizontally polarized component of radiation only.
- V. Employment Statistical Report: Grantee's report identifying:
  - 1. the race and sex, the number of employees in each of eight full-time and part-time job categories (officials and managers, professionals, technicians, office and clerical personnel, skilled craft persons, semi-skilled operatives, unskilled operatives, and service workers); and
  - 2. the number of job openings occurring during the year.
- W. FCC: The Federal Communications Commission.
- X. Financial Reporting Guidelines: CPB's instructions on accounting for and reporting on a Grantee's use of CSG funds for FY 2024 and amendments thereto.
- Y. Flagship Station: When a Licensee has multiple stations, it is the station Grantee designates in CPB's Integrated Station Information System to receive the CSG.
- **Z. Full-time Employee:** Permanent personnel employed by Grantee, Licensee or a parent company, subsidiary, affiliate, or third-party operator under contract with Licensee:
  - 1. that possess the skills and expertise in the management, programming, production, promotion, development, or engineering areas of radio station operations;
  - that are paid no less than the minimum federal hourly wage plus all benefits that Licensee (or a parent company, subsidiary, affiliate, or third-party operator under contract with Licensee) routinely provides to its Full-time Employees; and
  - **3.** whose terms of employment require working the number of hours that constitute a normal work week at said institution.
- **AA. Full-time Equivalent Employee:** Two or more employees who, collectively, satisfy the criteria for a Full-time Employee. However, a Full-time Equivalent Employee need not receive all benefits that Licensee (or a parent company, subsidiary, affiliate, or third-party operator under contract with Licensee) provides to its Full-time Employees.
- **BB.** Grantee: The Licensee eligible to receive a CSG.

- **CC. Head of Grantee:** The head of grantee is the highest-ranking representative of the station's management responsible for station operations, i.e., its president and chief executive officer.
- **DD. Joint Licensees:** Licensees eligible to receive television and radio CSGs.
- **EE.** Licensee: The entity with a valid, renewable license from the United States Government to operate a full-power, noncommercial, educational radio station.
- **FF. Licensee Official:** For community licensees, it is the licensee's governing body chair or vice chair; for other licensees, it is the licensee's governing body chair or vice chair, or a designated senior level representative who is not a member of the station's management and who has the authority to enter into binding contracts on licensee's behalf.
- **GG.** Local Content and Service Report (LCSR): The annual report that Grantee must submit to CPB in the Station Activity Survey (Section 6) on the content and services they provide to serve local needs, including quantitative and qualitative information about the impact of the local services in their communities.
- **HH. Minority Audience Service Station (MASS):** A radio station that provides significant service to a minority group or groups through diverse programming that serves the needs and interests of minorities. Stations are deemed MASS if they meet at least one of the criteria below.
  - 1. A measured minority audience composition (cume) greater than 51 percent averaged over the previous three consecutive measured quarters<sup>8</sup>;
  - 2. The station is licensed to a designated Historically Black College or University<sup>9</sup>; or
  - **3.** The station is licensed to:
    - **a.** a Native American Tribe<sup>10</sup>;
    - b. a consortium of Native American Tribes; or
    - **c.** an entity<sup>11</sup> controlled by a Native American Tribe, its community of license is within recognized tribal lands, and a substantial portion of its coverage area includes tribal lands.

<sup>&</sup>lt;sup>8</sup> In markets where audience measurements (i.e., Nielsen Radio) are not available or based on a total cumulative audience of 5,000 or less, CPB will use the minority composition of the CAP within the station's primary coverage area. Stations with a CAP minority composition greater than 50 percent may be recognized as MASS.

<sup>&</sup>lt;sup>9</sup> As defined by the Higher Education Act of 1965, 20 U.S.C. §1601, et seq., as amended.

<sup>&</sup>lt;sup>10</sup> Native American Tribe means any Native American Indian or Alaska Native tribe, band, pueblo, village, or community within the continental United States that the Secretary of the Interior presently acknowledges to exist as an Indian tribe (25 C.F.R. §83.1).

<sup>&</sup>lt;sup>11</sup> CPB considers an entity controlled by a Native American Tribe if: 1) a majority of the entity's governing body's voting members are enrolled Native American Tribe members and their lands are served by the station, or 2) the majority of the entity's governing body's voting members are appointed by a Native American Tribe.

- II. News Station: Stations airing news for 75 percent of their broadcast schedule from 6:00 a.m. to 7:00 p.m. Monday Friday.
- **JJ. Nonaffiliated Third Party:** Any person, company, partnership, or other party that is not controlled by or acting on behalf of, or at the request of, Grantee for the purpose of fundraising, underwriting, or development for the station.
- **KK. Non-federal Financial Support (NFFS):** The total cash and the fair market value of property and services Grantee received from sources other than the United States or any agency or instrumentality of the United States or any public broadcasting entity, as further defined in 47 U.S.C. § 397(9).

Additional details and definitions of what revenues qualify as NFFS are contained in the FY 2024 Financial Reporting Guidelines and Principles of Accounting.

- **LL. Overlapping stations:** A Licensee that owns more than one public radio station with individual CAPs that overlap by 50 percent or more.
- **MM.** Principles of Accounting: Application of Accounting and Financial Reporting to Public Telecommunications Entities, May 2005 edition.
- **NN. Rural Audience Service Station (RASS):** A station with a CAP density equal to or less than 40 people per square kilometer.
- **OO. Sole Service:** Stations that operate the only primary broadcast service (radio or television, commercial or non-commercial) within a 50-mile radius from the station's transmitter are Sole Service stations. A Licensee operating multiple services (radio/radio, radio/television) serving the same community may qualify as a single Sole Service station.

Translators do not qualify as Sole Service stations because of their secondary status. The presence of a secondary service licensed to another entity shall not preclude an applicant from qualifying for a CSG as a Sole Service provider.

- **PP. Spending Period:** CSG funds may be expended from October 1, 2024 through September 30, 2026.
- **QQ. Station Activity Survey (SAS):** The survey that CPB uses to collect information on station operations to enable CPB to advocate the interests of public broadcasting, assist stations and other public broadcasting organizations with planning and evaluation, to anticipate industry trends, and calculate CSG payments.
- **RR.** Total Station Revenue (TSR): For stations filing an AFR, TSR is the total of the following lines in a station's AFR:
  - 1. Schedule A: Line 22 Total Direct Revenue;
  - 2. Schedule B: Tab 3: Line 5 Indirect Administrative Support;
  - 3. Schedule C: Line 6 Total In-Kind Revenue; and
  - **4.** Schedule D: Line 8 Total In-Kind Revenue. For stations filing an FSR, TSR is the sum reported on Line 17 of Part 1 of the station's FSR.

## Exhibit A

## **Documents Governing Grantees**

- 1. CSG Agreement and Certification of Eligibility
- 2. Financial Reporting Guidelines
- 3. Principles of Accounting
- 4. CSG Non-compliance Policy, January 2016
- 5. CSG Compliance Booklet, June 1, 2021
- 6. Radio Transmitters and Translators Inventory Update Form
- 7. CPB Consent to Assignment Agreement
- 8. Application for Recognition as a Radio Community Service Grant Licensee

## **Unrestricted CSG Expenditure**

## 1. Programming, Production, and Services

Programming, Production, and Services include Programming and Production, Educational Programs, and Educational Outreach Activities as set forth below.

- **a. Programming and Production:** The acquisition of programming, program operations, program development, program planning, production operations, editing, and the following:
  - i. fees or dues to acquire broadcast rights for programs or series, or rights to use or adapt published materials;
  - ii. program or web content planning and research (script writing, printing, and consulting) in support of programming or production;
  - iii. directors, producers, cast, stagehands, engineers, technicians, and other personnel involved in programming or production;
  - iv. rental of facilities to support programming and production;
  - v. rental of production equipment;
  - vi. space, supplies, and other station resources used in programming or production;
  - vii. repair and maintenance of programming and production equipment; and
  - viii. depreciation and amortization of station equipment and leasehold improvements used for programming and production purposes.
- **b. Educational Programs:** The creation, production, or purchase of programs with educational intent or instructional design as defined below. Grantee must clearly identify the percentage of CSG funds used for the same.
  - i. "Educational intent" is defined as content designed to address specific educational interests of a target audience.
  - ii. "Instructional design" is defined as content having an educational intent and substantially involving educators in program development. This content includes ancillary materials to support or supplement the same. It also includes the costs of obtaining

rights at the time of production for institutional off-air recording, audio visual, re-versioning, and other similar costs.

- **c. Educational Outreach Activities:** Community outreach and engagement activities related to local or national programs and the following:
  - i. local or national services that enable viewers and listeners to follow up on programs through computer, video, and audio conferencing;
  - ii. town meetings;
  - iii. local call-in shows;
  - iv. public service announcements;
  - v. telephone hot lines; and
  - vi. the dissemination of related information and materials related to the items set forth above.
- **2. Broadcasting, Transmission, and Distribution:** Broadcasting, transmission, distribution, and the following:
  - **a.** scheduling programs for airing;
  - **b.** repair and maintenance of broadcasting equipment;
  - **c.** depreciation of antennae, transmission, and other broadcasting equipment;
  - **d.** distribution and interconnection fees;
  - e. engineering; and
  - **f.** web hosting and streaming fees.
- **3. Program Information and Promotion:** Informing the viewing or listening public of available program services and the following:
  - **a.** producing or acquiring "spots" designed for the promotion of specific programs;
  - **b.** advertising in newspapers or other media;
  - **c.** preparing, reproducing, and distributing program guides;
  - **d.** travel and related expenses of promotion;
  - e. dues or fees related to this function; and
  - **f.** supporting services.
- **4. Fundraising and Membership Development:** Activities to persuade others to contribute money, securities, time, materials, or facilities to the station, such as:
  - **a.** solicitation of underwriting funds and grants;
  - **b.** membership development;
  - **c.** acquiring and distributing fundraising material;

- **d.** designing, printing, and distributing leaflets or posters for fundraising;
- e. meetings for improving fundraising techniques;
- **f.** services of fundraising consultants and talent;
- **g.** developing and maintaining contributor records;
- **h.** committee meetings dealing with fundraising policies and issues, including the preparation of minutes and reports of such meetings;
- i. program and production costs of broadcast appeals for funds;
- **j.** mailing costs related to fundraising; and
- **k.** direct costs of special fundraising activities and auctions.
- 5. Underwriting and Grant Solicitation: Soliciting program underwriting funds and general support grants from foundations, corporations, and governments.
- **Management and General:** Supervising and controlling overall day-to-day operations, accounting, and office service activities, as well as:
  - **a.** human resource administration, including recruiting, retention, and benefit programs;
  - **b.** accounting, auditing, and budgeting;
  - **c.** information technology systems and support services, where not specifically devoted to other functions;
  - **d.** legal services of a general (non-program) nature;
  - e. all occupancy costs not specifically identifiable with other functions;
  - **f.** office functions that provide general support throughout the organization (e.g., corporate receptionists and telephone attendants, central mail services, and maintenance of corporate archives);
  - **g.** maintenance of operations manuals, directors' committee lists, and expenses related to governing board, CAB, or administrative committee meetings;
  - **h.** depreciation of buildings, furnishings, and equipment used in management and general functions;
  - i. dues for public broadcasting station membership organizations; and
  - **j.** indirect costs that are:
    - not directly identified with another function, that are indispensable to the conduct of those functions and to Grantee's existence; and
    - associated with the overall direction of Grantee's general board activities, business management, general recordkeeping, budgeting, and related purposes.

- 7. **Purchase, Rehabilitation, or Improvement of Capital Assets:** Purchase, rehabilitation, or improvement of capital assets, as well as:
  - **a.** expenditures to purchase, rehabilitate, or improve tangible capital assets, such as studio and station equipment, vehicles, buildings, and other structures; and
  - **b.** other capital assets funded with the CSG.

## **Exhibit C**

Calculation Document							
CAP Category	1	2	3	4	5	6	
CAP Range	< 20,000	20,000 to < 100,000	100,000 to < 300,000	300,000 to < 1 million	1 million to < 3million	≥ 3 million	
Minimum Number of Employees 12	2	2	2	3	4	4	
Minimum Full-time Employees	2						
Minimum NFFS	\$250,000	\$275,000	\$300,000	\$300,000	\$400,000	\$500,000	
MASS or RASS	\$250,000	\$250,000	\$275,000	\$275,000	\$300,000	\$400,000	
Both MASS and RASS <sup>13</sup>	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	
Minimum Direct NFFS			50% of Minim	num NFFS			
$\mathbf{ASC}^{14}$			Yes				
Base Grant	\$119,022	\$112,410	\$99,185	\$72,135	\$60,112	\$42,079	
MASS or RASS	\$119,022	\$112,410	\$99,185	\$99,185	\$99,185	\$99,185	
Sole Service	x 1.25						
MASS	x 1.5						
Incentive Grant			Tiered <sup>15</sup> NFF	S x IRR <sup>16</sup>			
RASS	x 1.25						
MASS	x 1.25 up to \$5 million						
Both MASS and RASS	x 1.75						
Rural Support Grant	If Coverage Area Population Density ≤ 40 persons/sq. km						
Both MASS and RASS	RSG x 1.5						

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<sup>&</sup>lt;sup>12</sup> MASS Grantees may meet the Staffing Requirement with Full-time Equivalent Employees.

<sup>&</sup>lt;sup>13</sup> Stations that must have a minimum NFFS of \$100,000 include Minority Audience Service Stations (MASS) with a minority cume composition of at least 75% and stations that meet the criteria for both MASS and RASS.

<sup>&</sup>lt;sup>14</sup> Sole Service grantees do not have to meet the ASC requirement.

<sup>&</sup>lt;sup>15</sup> All Grantees will receive an incentive match on Tiered NFFS which is a portion of total NFFS: 100% of NFFS up to \$3,000,000; 95% of NFFS over \$3,000,000 but less than \$15 million, and 80% of NFFS equal to or exceeding \$15 million.

<sup>&</sup>lt;sup>16</sup> FY 2025 Radio Incentive Rate of Return (IRR) is estimated at 5.3 cents for every dollar of Tiered NFFS.